

Auditing Procedures Report

Issued under Public Act 2 of 1968, as amended.

Unit Name	Bay County Drain Commission	County	BAY	Type	OTHER	MuniCode	09-7-012
Opinion Date	June 23, 2008	Audit Submitted		Fiscal Year	12/31/2007		

If a local unit of government (authorities & commissions included) is operating within the boundaries of the audited entity and is NOT included in this or any other audit report, nor do they obtain a stand-alone audit, enclose the name(s), address(es), and a description(s) of the authority and/or commission.

Place a check next to each "Yes" or non-applicable question below. Questions left unmarked should be those you wish to answer "No".

<input checked="" type="checkbox"/>	1. Are all required component units/funds/agencies of the local unit included in the financial statements and/or disclosed in the reporting entity notes to the financial statements?
<input checked="" type="checkbox"/>	2. Does the local unit have a positive fund balance in all of its unreserved fund balances/unrestricted net assets?
<input checked="" type="checkbox"/>	3. Were the local unit's actual expenditures within the amounts authorized in the budget?
<input checked="" type="checkbox"/>	4. Is this unit in compliance with the Uniform Chart of Accounts issued by the Department of Treasury?
<input checked="" type="checkbox"/>	5. Did the local unit adopt a budget for all required funds?
<input checked="" type="checkbox"/>	6. Was a public hearing on the budget held in accordance with State statute?
<input checked="" type="checkbox"/>	7. Is the local unit in compliance with the Revised Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, and other guidance as issued by the Local Audit and Finance Division?
<input checked="" type="checkbox"/>	8. Has the local unit distributed tax revenues, that were collected for another taxing unit, timely as required by the general property tax act?
<input checked="" type="checkbox"/>	9. Do all deposits/investments comply with statutory requirements including the adoption of an investment policy?
<input checked="" type="checkbox"/>	10. Is the local unit free of illegal or unauthorized expenditures that came to your attention as defined in the Bulletin for Audits of Local Units of Government in Michigan, as revised (see Appendix H of Bulletin.)
<input checked="" type="checkbox"/>	11. Is the unit free of any indications of fraud or illegal acts that came to your attention during the course of audit that have not been previously communicated to the Local Audit and Finance Division? (If there is such activity, please submit a separate report under separate cover.)
<input checked="" type="checkbox"/>	12. Is the local unit free of repeated reported deficiencies from previous years?
<input checked="" type="checkbox"/>	13. Is the audit opinion unqualified?
	14. If not, what type of opinion is it? <input type="text" value="NA"/>
<input checked="" type="checkbox"/>	15. Has the local unit complied with GASB 34 and other generally accepted accounting principles (GAAP)?
<input checked="" type="checkbox"/>	16. Has the board or council approved all disbursements prior to payment as required by charter or statute?
<input checked="" type="checkbox"/>	17. To your knowledge, were the bank reconciliations that were reviewed performed timely?
<input type="checkbox"/>	18. Are there reported deficiencies?
<input type="checkbox"/>	19. If so, was it attached to the audit report?

General Fund Revenue:

N/A

General Fund Expenditure:

N/A

Major Fund Deficit Amount:

N/A

General Fund Balance:

N/A

Governmental Activities
Long-Term Debt (see
instructions):

2828731

We affirm that we are certified public accountants (CPA) licensed to practice in Michigan. We further affirm the above responses have been disclosed in the financial statements, including the notes, or in the Management Letter (Reported deviations).

CPA (First Name)	Gerald	Last Name	Desloover	Ten Digit License Number	1101007126
CPA Street Address	5800 Gratiot, PO Box 2025	City	Saginaw	State	MI
				Zip Code	48605
				Telephone	(989) 799-9580
CPA Firm Name	Rehmann Robson	Unit's Street Address	P.O. Box 676	City	Freeland
				Zip Code	48623

Bay County Drain Commission
Bay City, Michigan

(a Component Unit of Bay County)

Financial Statements

For the Year Ended December 31, 2007

BAY COUNTY DRAIN COMMISSION

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INDEPENDENT AUDITOR'S REPORT

June 23, 2008

To the Bay County Drain Commission
Bay County, Michigan

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **Bay County Drain Commission**, a component unit of Bay County, as of and for the year ended December 31, 2007, which collectively comprise the **Bay County Drain Commission's** basic financial statements as listed in the table of contents. These financial statements are the responsibility of the **Bay County Drain Commission's** management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the **Bay County Drain Commission** as of December 31, 2007, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis listed in the table of contents on pages 3 through 8 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the ***Bay County Drain Commission's*** basic financial statements. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining nonmajor fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The schedules included on pages 26 through 67 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

A handwritten signature in black ink, reading "Lehmann Johnson". The signature is written in a cursive, flowing style with a large initial 'L'.

Management's Discussion and Analysis

As Bay County Drain Commissioner, I offer this overview of the financial statements and analysis of the financial activities of the Drain Commissioner's office for the fiscal year ended December 31, 2007. The Statements of Net Assets and the Statement of Activities provide information about the activities of the Drain Commissioner and present a long-term view of the Drain Commissioner's finances. Fund financial statements tell how these services were financed in the short-term, as well as what remains for future spending. Fund financial statements also report the Drain Commissioner's operations in more detail than the government-wide financial statements.

Financial Highlights

- The assets of the Drain Commissioner at the close of the most recent fiscal year exceeded the liabilities by \$6,221,943 (net assets). Of this amount, \$5,860,848 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The Drainage District's total net assets increased by \$1,812,050.
- At the end of the current fiscal year, the Drain Commissioner had an unreserved, undesignated fund balance of \$2,393,535 or about 210% of expenditures.
- The Drainage District's total debt increased by \$456,414 or 19% during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Drain Commissioner's basic financial statements. The Drain Commissioner's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The *statement of net assets* presents information on all of the Drain Commissioner's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Drain Commissioner is improving or deteriorating.

The *statement of activities* presents information showing how the Drain Commissioner's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected special assessments and accrued interest expense).

Both of the component unit financial statements distinguish the function of the Drain Commissioner which is principally supported by special assessments to municipalities and individuals within the drainage districts. The governmental activities of the Drain Commissioner include providing construction, repair, and maintenance of drains within Bay County.

Fund financial statements. A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Drain Commissioner's

office, like the County, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Drain Commissioner's office are governmental funds.

The Drain Commissioner maintains nine individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances. These funds are broken down into Debt Service Funds, Capital Project Funds, and non-major funds. The Drain Commissioner does not maintain proprietary nor fiduciary funds.

The Drain Commissioner adopts an annual appropriated budget for its funds. Budgetary comparison statements or schedules have been provided herein to demonstrate compliance with those budgets.

Note that the Bay County government-wide financial statements are not herein presented because the Drain Commissioner's office is a component unit of the county. The county presents their financial statements elsewhere and in a manner partially resembling private-sector business in its government-wide financial statements in compliance with GASB Statement No. 34.

Notes to the financial statements provide additional information that is essential to the full understanding of the data provided in the Drain Commissioner's financial statements. The notes to the financial statements can be found on pages 13 through 23 of this report.

The basic governmental financial statements can be found on pages 9 through 12 of this report.

Government-Wide Financial Analysis

As noted earlier, the Drain Commissioner's net assets invested in capital assets, net of related debt, does include infrastructure purchased and constructed prior to 2003. The Drain Commissioner is currently repaying debt on infrastructure that was built prior to the implementation of Government Accounting Standards Board Statement 34.

Bay County Drain Commission Net Assets		
	December 31 2007	December 31 2006
Current and other assets	\$ 6,919,034	\$ 5,372,725
Capital assets, net of accumulated depreciation	<u>2,446,599</u>	<u>2,043,645</u>
Total assets	<u>9,365,633</u>	<u>7,416,370</u>
Long-term liabilities outstanding	2,828,731	2,372,317
Other liabilities	<u>314,959</u>	<u>634,160</u>
Total liabilities	<u>3,143,690</u>	<u>3,006,477</u>
Net assets:		
Invested in capital assets, net	(382,132)	(328,672)
Restricted	743,227	665,829
Unrestricted	<u>5,860,848</u>	<u>4,072,736</u>
Total net assets	<u>\$ 6,221,943</u>	<u>\$ 4,409,893</u>

The Drain Commissioner, at the end of the most recent fiscal year, has restricted net assets of \$743,227. The remaining \$5,860,848 is unrestricted and may be used to meet the Drain Commissioner's ongoing obligations to citizens and creditors.

The Drain Commissioner's net assets increased by \$1,812,050 during the current fiscal year. This increase reflects the reporting of special assessment revenue payable in future fiscal periods on several large drain projects.

A summary of changes in net assets for the years ended December 31, 2006 and 2007, follows:

	December 31 2007	December 31 2006
Revenue		
Special assessments	\$1,524,527	\$26,682
Licenses and permits	5,857	3,700
Interest, rents, and royalties	194,438	183,954
Reimbursements, refunds and other revenues	95,668	200,468
Contributions from local units	360,785	240,390
Total Revenues	2,181,275	655,194
Expenditures		
Public Works:		
Contractual Services	213,472	489,086
Capital Outlay	5,569	-
Depreciation	60,863	55,191
Debt Service:		
Interest and fiscal charges	89,321	110,095
Total Expenditures/expenses	369,225	654,372
Other Financing Sources		
Proceeds from the sale of capital assets	-	7,117
Proceeds from the sale of notes	-	496,091
Total Other Sources	-	503,208
Increase (decrease) in net assets	\$1,812,050	\$504,030

The key elements in this increase are as follows:

- Two large petitioned projects were assessed in 2007. The Bis Extension Project was petitioned in 1995 with a total cost around \$140,000. The Dell Creek Project was petitioned in 1998 and is expected to total \$1,500,000, largely funded by FEMA. Anticipated completion of both in 2008.
- Statement of activities showed a substantial decrease in expenditures for 2007. Several operation and maintenance projects were capitalized. In addition, interest charges on aging bonds and notes decreased as maturity dates approach.

Financial Analysis of the Government's Funds

As noted earlier, the Drain Commissioner uses fund accounting to ensure and demonstrate compliance with the finance-related legal requirements.

Governmental funds. The focus of the Drain Commissioner's governmental funds is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Drain Commissioner's financing requirements. In particular, unreserved fund balance may serve as a useful measurement of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Drain Commissioner's governmental funds reported combined ending fund balances of \$3,136,762. The Drain Commissioner has a total unreserved/undesignated fund balance of \$2,393,535, which can be used for spending at the Drain Commissioner's discretion.

General Fund Budgetary Highlights. Prior to the beginning of any year, the Drain Commissioner's budget is compiled based upon certain assumptions and facts available at the time. During the year, the Drain Board acts to amend its budget to reflect changes in these original assumptions, facts, and/or economic conditions that were unknown at the time the original budget was compiled. In addition, by policy, the Board reviews and authorizes large expenditures when requested throughout the year.

The following schedule presents a comparative summary of changes in the Drain Commissioner's budget for the current fiscal year for all funds.

For the year ended December 31, 2007				
	Original Budget	Final Budget	YTD Receipts	Variance Positive (Negative)
Revenues				
Fund Balance Reserves	\$ 39,355	\$ 80,200	\$ -	\$ (80,200)
Licenses and Permits	1,600	1,600	5,857	4,257
Engineering Review Fee	5,000	5,000	7,350	2,350
Investment Interest	9,000	9,000	171,396	162,396
Interest Income – Other	600	600	3,844	3,244
Rents & Leases	5,800	5,800	19,198	13,398
Special Assessment Revenue	369,182	369,182	381,069	11,887
Contribution Local Units	359,212	359,212	340,613	(18,599)
Contribution, Primary Govt.	84,735	84,735	81,738	(2,997)
Reimbursements	-	20,000	20,000	-
Reimbursements-Individuals	-	-	1,227	1,227
Reimbursements-Federal	-	-	92	92
Bond/Note Proceeds	-	197,353	822,587	625,234
Transfers In From Other Funds	25,000	25,000	418,577	393,577
Total Revenue	899,484	1,157,682	2,273,548	1,115,866

For the year ended December 31, 2007 (Cont.)

	Original Budget	Final Budget	YTD Receipts	Variance Positive (Negative)
Expenditures				
Engineering/Contractual Services	67,150	259,439	306,358	(46,919)
Repairs/Maintenance	15,500	18,000	9,095	8,905
Administrative Expenses	22,660	24,252	20,825	3,427
Grounds Maintenance	9,000	25,525	42,755	(17,230)
Machinery & Equipment	12,450	50,795	45,429	5,366
Legal Fees/Legal Notices/Filings	11,400	13,338	8,050	5,288
Rents/Leases	4,300	6,565	19,330	(12,765)
Reimbursements	172,749	175,249	162,928	12,321
Debt Principal Payments	366,176	366,176	366,173	3
Interest on Long-Term Debt	87,853	87,853	88,119	(266)
Paying Agent Fees	1,536	1,536	1,424	112
Utilities	61,160	61,160	45,899	15,261
Insurance	26,250	26,250	18,266	7,984
Other	16,300	16,544	3,923	12,621
Transfers Out	25,000	25,000	418,577	(393,577)
Total Expenditures	899,484	1,157,682	1,557,151	(399,469)
Net Change in Fund Balance	\$ -	\$ -	\$ 716,397	\$ 716,397

The budget variances reflect:

- Plan to increase fund balance reserves in Bangor Drain Fund.
- Construction of the Dell Creek and Bis Extension Projects commenced. Proceeds from the notes on these projects were received in late 2007.
- An increase in operation and maintenance projects were completed using local contractors.

Capital Asset and Debt Administration

Capital assets. As noted previously, the Drain Commissioner's office was not required to value their infrastructure prior to the Governmental Accounting Standards Board Statement No. 34.

Major capital asset events during the current fiscal year included the following:

- Construction was completed on the Shinbine, Stieve, Kolb and Goetz Intercounty Drains.

Long-term debt. At the end of the current fiscal year, the Drain Commissioner had total outstanding debt of general obligation bonds and notes in the amount of \$2,828,731. The Drain Commissioner's total debt increased by \$456,414 (19.2%) during the fiscal year.

Additional information on the Drain Commissioner's long-term debt can be found on pages 21 and 22 of this report.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing the Drain Commissioner's budget for the 2008 fiscal year:

- Increased activity in drain construction
- Additional capital equipment investment

Requests for Information

This financial report is designed to provide a general overview of the Drain Commissioner's finances for all those with an interest in the Drain Commissioner's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Drain Commissioner, Mr. Joseph Rivet, Bay County Building, 515 Center Avenue, Suite 601, Bay City, MI 48708-5127.

BASIC FINANCIAL STATEMENTS

BAY COUNTY DRAIN COMMISSION
A COMPONENT UNIT OF BAY COUNTY
STATEMENT OF NET ASSETS AND BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2007

	Auburn Road Drain	Drain Debt Service Fund	Bangor Consolidated Drain Operation and Maintenance	Drain Capital Projects Fund
Assets				
Cash and cash equivalents	\$ 642,220	\$ 192,509	\$ 145,804	\$ 2,404,320
Special assessments	488,031	2,271,645	-	51,552
Accrued interest receivable	7,464	1,674	1,695	24,304
Due from other funds	-	-	9,401	12,213
Due from primary government	12,573	31,267	27,691	8,517
Due from other governmental units	46,227	37,432	245,000	8,449
Capital assets, net:				
Assets not being depreciated	-	-	-	-
Assets being depreciated	-	-	-	-
Total assets	\$ 1,196,515	\$ 2,534,527	\$ 429,591	\$ 2,509,355
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ -	\$ -	\$ 3,453	\$ 16,677
Accrued interest payable	-	-	-	-
Due to other funds	-	-	-	253,839
Due to primary government	-	-	10,762	9,133
Due to other governmental units	-	-	2,700	11,697
Deferred revenue	644,449	2,403,204	281,125	69,288
Long-term liabilities:				
Due within one year	-	-	-	-
Due in more than one year	-	-	-	-
Total liabilities	644,449	2,403,204	298,040	360,634
Fund Balances				
Reserved for:				
Debt service	552,066	131,323	-	-
Unreserved / undesignated	-	-	131,551	2,148,721
Total fund balances	552,066	131,323	131,551	2,148,721
Total liabilities and fund balances	\$ 1,196,515	\$ 2,534,527	\$ 429,591	\$ 2,509,355

The accompanying notes are an integral part of these financial statements.

Non-Major Funds	Total Governmental Funds	Adjustments	Statement of Net Assets
\$ 191,222	\$ 3,576,075	\$ -	\$ 3,576,075
43,071	2,854,299	-	2,854,299
2,455	37,592	-	37,592
232,911	254,525	(254,525)	-
19,584	99,632	-	99,632
14,328	351,436	-	351,436
-	-	559,961	559,961
-	-	1,886,638	1,886,638
<u>\$ 503,571</u>	<u>\$ 7,173,559</u>	<u>2,192,074</u>	<u>9,365,633</u>

\$ 1,051	\$ 21,181	-	21,181
-	-	21,295	21,295
686	254,525	(254,525)	-
233,141	253,036	-	253,036
5,050	19,447	-	19,447
90,542	3,488,608	(3,488,608)	-
-	-	440,321	440,321
-	-	2,388,410	2,388,410
<u>330,470</u>	<u>4,036,797</u>	<u>(893,107)</u>	<u>3,143,690</u>

59,838	743,227	(743,227)	-
<u>113,263</u>	<u>2,393,535</u>	<u>(2,393,535)</u>	<u>-</u>
<u>173,101</u>	<u>3,136,762</u>	<u>(3,136,762)</u>	<u>-</u>
<u>\$ 503,571</u>	<u>\$ 7,173,559</u>		

Net Assets (Deficit):

Invested in capital assets, net of related debt	(382,132)	(382,132)
Restricted for:		
Debt service	743,227	743,227
Unrestricted	<u>5,860,848</u>	<u>5,860,848</u>
Total net assets	<u>\$ 6,221,943</u>	<u>\$ 6,221,943</u>

**BAY COUNTY DRAIN COMMISSION
A COMPONENT UNIT OF BAY COUNTY
RECONCILIATION OF FUND BALANCES ON THE BALANCE SHEET
FOR GOVERNMENTAL FUNDS TO NET ASSETS OF
GOVERNMENTAL ACTIVITIES ON THE STATEMENT OF NET ASSETS
DECEMBER 31, 2007**

Fund balances - total governmental funds	\$ 3,136,762
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Amounts reported for *governmental activities* in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Add - capital assets	3,009,001
Deduct - accumulated depreciation	(562,402)

Long-term receivables are recorded as revenue when payment is received on the governmental fund statements and as revenue when a receivable occurs on the statement of activities

Add - deferred revenue related to long-term receivables	3,488,608
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Certain liabilities, such as bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

Deduct - bonds and notes payable	(2,828,731)
Deduct - accrued interest on bonds and notes payable	(21,295)

Net assets of governmental activities	<u><u>\$ 6,221,943</u></u>
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**BAY COUNTY DRAIN COMMISSION
A COMPONENT UNIT OF BAY COUNTY
STATEMENT OF ACTIVITIES AND STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007**

	Auburn Road Drain	Drain Debt Service Fund	Bangor Consolidated Drain Operation and Maintenance
Revenues			
Special assessments	\$ 63,007	\$ 185,502	\$ 7,725
Licenses and permits	-	-	2,100
Interest, rents and royalties	34,819	8,168	18,372
Reimbursements, refunds and other revenues	7,265	21,570	25,364
Contributions from local units	54,075	36,414	224,411
	<u>159,166</u>	<u>251,654</u>	<u>277,972</u>
Total revenues			
	<u>159,166</u>	<u>251,654</u>	<u>277,972</u>
Expenditures/expenses			
Public works:			
Contractual services	10	33	201,391
Capital outlay	-	-	4,335
Depreciation	-	-	-
Debt service:			
Principal	100,000	196,173	-
Interest and fiscal charges	45,766	36,172	-
	<u>145,776</u>	<u>232,378</u>	<u>205,726</u>
Total expenditures / expenses			
	<u>145,776</u>	<u>232,378</u>	<u>205,726</u>
Revenues over (under) expenditures / expenses			
	<u>13,390</u>	<u>19,276</u>	<u>72,246</u>
Other Financing Sources (Uses)			
Transfers in	-	1,500	-
Transfers (out)	-	(14)	(20,802)
Proceeds from the issuance of notes	-	39,005	-
	<u>-</u>	<u>40,491</u>	<u>(20,802)</u>
Total other financing sources (uses)			
	<u>-</u>	<u>40,491</u>	<u>(20,802)</u>
Net change in fund balances	13,390	59,767	51,444
Change in net assets	-	-	-
Fund balance / net assets, beginning of year	538,676	71,556	80,107
Fund balance / net assets, end of year	<u>\$ 552,066</u>	<u>\$ 131,323</u>	<u>\$ 131,551</u>

The accompanying notes are an integral part of these financial statements.

Drain Capital Projects Fund	Non- Major Funds	Total Governmental Funds	Adjustments	Statement of Activities
\$ 65,107	\$ 59,728	\$ 381,069	\$ 1,143,458	\$ 1,524,527
3,257	500	5,857	-	5,857
121,334	11,745	194,438	-	194,438
36,026	20,182	110,407	(14,739)	95,668
9,147	16,566	340,613	20,172	360,785
234,871	108,721	1,032,384	1,148,891	2,181,275
417,112	18,883	637,429	(423,957)	213,472
10,749	30,345	45,429	(39,860)	5,569
-	-	-	60,863	60,863
-	70,000	366,173	(366,173)	-
-	7,605	89,543	(222)	89,321
427,861	126,833	1,138,574	(769,349)	369,225
(192,990)	(18,112)	(106,190)	1,918,240	1,812,050
417,077	-	418,577	(418,577)	-
(397,761)	-	(418,577)	418,577	-
783,582	-	822,587	(822,587)	-
802,898	-	822,587	(822,587)	-
609,908	(18,112)	716,397	(716,397)	-
-	-	-	1,812,050	1,812,050
1,538,813	191,213	2,420,365	1,989,528	4,409,893
\$ 2,148,721	\$ 173,101	\$ 3,136,762	\$ 3,085,181	\$ 6,221,943

**BAY COUNTY DRAIN COMMISSION
A COMPONENT UNIT OF BAY COUNTY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGE IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2007**

Net change in fund balances - total governmental funds	\$ 716,397
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Amounts reported for *governmental activities* in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Add - capital outlay	493,817
Deduct - depreciation expense	(60,863)
Deduct - loss on disposal of capital assets	(30,000)

Bond proceeds provide current financial resources to governmental funds in the period issued, but issuing bonds increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

Deduct - proceeds from the issuance of long-term debt	(822,587)
Add - principal payments on long-term debt	366,173

Some revenues reported in the funds provide current financial resources and therefore are not reported as revenues in the statement of net assets

Deduct - assessment revenue recorded in the fund statements as revenues when measurable and available and as revenue when levied on the statement of activities	1,148,891
---	-----------

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds.

Deduct - increase in accrued interest payable on long-term debt	<u>222</u>
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Change in net assets of governmental activities	<u><u>\$ 1,812,050</u></u>
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The accompanying notes are an integral part of these financial statements.

BAY COUNTY DRAIN COMMISSION

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Bay County Drain Commission, referred to as the “Drain Commission,” is a discrete component unit of Bay County, Michigan, (the “County”) and is used to track the collections and expenditures related to construction and maintenance of drainage districts throughout the County. Each of the drainage districts established pursuant to the Drain Code of 1956 are separate legal entities, with the power to contract, to sue and be sued, to hold, manage and dispose of real and personal property, etc. The statutory drainage Board of Chapter 21 drainage districts consists of the State Director of Agriculture and the drain commissioner of each County involved in the project. The statutory drainage Board of Chapter 20 drainage districts consists of the Drain Commissioner, the chairman of the County Board of Commissioners and a member of the County Board of Commissioners appointed by the Board. The County Drain Commissioner has sole responsibility to administer the drainage districts established pursuant to Chapters 4 and 8 of the Drain Code. The drainage Board or drain commissioner, on behalf of the drainage districts, may issue debt and levy special assessments authorized by the Drain Code without the prior approval of the County Board of Commissioners. The full faith and credit of the County may be given for the debt of the drainage district.

The Drain Commission is considered to be a component unit of the County because the County has the ability to significantly influence operations and has accountability for fiscal matters.

The financial statements of the Drain Commission are included in the County’s financial statements as a discrete component unit.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities* are supported by program revenues (special assessments) and grant revenues.

BAY COUNTY DRAIN COMMISSION

NOTES TO FINANCIAL STATEMENTS

A combined financial statement is provided for the governmental fund balance sheet and the statement of net assets, and the governmental fund revenues, expenditures and changes in fund balances and the statement of activities. The following funds are considered to be major funds for financial reporting purposes.

Debt Service Funds:

- Auburn Road Drain
- Drain Debt Service Fund

Debt Service Funds are used to account for the accumulation of resources for the payment of long-term debt principal, interest and related costs.

Capital Projects Funds:

- Bangor Consolidated Drain Operation and Maintenance
- Drain Capital Projects Fund

Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements (statement of net assets and the statement of activities) are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements (governmental fund balance sheet and governmental fund revenues, expenditures and changes in fund balances) are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

BAY COUNTY DRAIN COMMISSION

NOTES TO FINANCIAL STATEMENTS

Charges for services, grant revenue, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash included in the County's pooled cash and funds deposited at financial institutions on behalf of the Drain Commission, and certificates of deposit with an original maturity of three months or less.

Due To and Due From Other Funds

The Drain Commission has occasional transactions between funds to finance construction and debt service. To the extent that certain transactions between funds had not been paid or received as of fiscal year-end, balances of interfund receivables or payables have been recorded.

Capital Assets

Capital assets, which include infrastructure, are reported in the government-wide statements (statement of net assets and statement of changes in net assets). Capital assets are defined by the Drain Commission as assets with an initial, individual cost of more than \$5,000 and an estimated life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, if any, are recorded at estimated fair value at the date donated.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets are recorded as capital expenditures at the time of purchase in the fund financial statements (statement of governmental fund revenues, expenditures and changes in fund balance) and are subsequently capitalized on the government-wide statements through an adjustment to the governmental fund total column.

Major outlays for capital assets and improvements are capitalized as projects when constructed. Capital assets of the Drain Commission are depreciated using the straight line method over the following estimated useful lives:

BAY COUNTY DRAIN COMMISSION

NOTES TO FINANCIAL STATEMENTS

Building and improvements	5-50 years
Equipment	3-20 years
Vehicles and accessories	3-7 years
Office furniture and fixtures	3-20 years
Land improvements (infrastructure)	10-50 years

The Drain Commission is considered a “Phase III government” as it relates to implementation of GASB Statement No. 34 – *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. Because the Drain Commission is a phase III government, it is required to account for general infrastructure assets prospectively, beginning January 1, 2003, but is not required to retroactive report infrastructure assets.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Revenue

Deferred revenue in the financial statements has been recorded for the amount of special assessments receivable and amounts due from primary government or other governmental units which are due during fiscal year 2008 and thereafter. Deferred revenue is also recorded for unearned grants and prepaid assessments, if any.

BAY COUNTY DRAIN COMMISSION

NOTES TO FINANCIAL STATEMENTS

Risk Financing

The Drain Commission participates in the County's risk financing programs. Complete disclosures can be found in the County's Comprehensive Annual Financial Report.

2. CASH AND CASH EQUIVALENTS

The County has adopted an official investment policy which is in accordance with investments permitted by Act 20 of the Michigan Public Acts of 1943 as amended, Act 196 PA 1997 (the "Act"). The Act generally allows the County to deposit funds in banks, savings and loans, and credit unions, commercial paper, repurchase agreement, banker's acceptances, and, with some restrictions, mutual funds. The Drain Commission follows the County's investment policy.

Financial Statement Captions:

Cash and cash equivalents **\$ 3,576,075**

Notes to Financial Statement:

Deposits \$ 1,940,720

Commercial Paper 1,635,355

Total **\$ 3,576,075**

The Drain Commission chooses to disclose its investments by specifically identifying each. As of December 31, 2007, the Drain Commission had the following investments.

Investment	Fair Value	Maturity	Credit Ratings	
			Moody's Investor's Services	Standard & Poors
Detroit Edison Co 3(a)3 Commercial Paper	\$ 510,611	Less than 1 year	P2	A2
Wellpoint Inc 4(2) Commercial Paper	567,356	Less than 1 year	P2	A2
General Electric Cap Corp 3(a)3 Commercial Paper	<u>557,388</u>	Less than 1 year	P1	A1
	<u>\$1,635,355</u>			

Investment and deposit risk

Interest Rate Risk. State law limits the allowable investments and the maturities of some of the allowable investments. The County's investment policy does not have specific limits in excess of state law on investment maturities as a means of managing its exposure to fair

BAY COUNTY DRAIN COMMISSION

NOTES TO FINANCIAL STATEMENTS

value losses arising from increasing interest rates. Maturity dates of the Drain Commission's investments are shown above.

Credit Risk. State law limits investments to specific government securities, certificates of deposits and bank accounts with qualified financial institutions, commercial paper with specific maximum maturities and ratings when purchased, bankers acceptances of specific financial institutions, qualified mutual funds and qualified external investment pools as identified above. The County's investment policy does not have specific limits in excess of state law on investment credit risk. The ratings for each investment are identified above for investments held at year-end.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Drain Commission's deposits may not be returned. State law does not require and the County does not have a policy for deposit custodial credit risk. Qualifying deposits are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$100,000. Because the deposits are in the name of the County Treasurer, the risk associated with these deposits is not determinable.

Custodial Credit Risk – Investments. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Drain Commission will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State law does not require a policy for investment custodial credit risk. However, the County's investment policy states that no more than sixty percent of the County investment portfolio will be invested with a single financial institution. However, while uninsured and unregistered, the Drain Commission's funds are not exposed to custodial credit risk since the securities are held in the counterparty's trust department in the Drain Commission's name.

Concentration of Credit Risk. State law limits allowable investments but does not limit concentration of credit risk as identified above. The County's investment policy states that with the exception of U.S. Treasury securities and authorized pools, no more than sixty percent of the County investment portfolio should be invested in a single security type. Each of the investments above are more than five percent of the Drain Commission's investments.

BAY COUNTY DRAIN COMMISSION

NOTES TO FINANCIAL STATEMENTS

3. SPECIAL ASSESSMENTS

The Drain Commission may levy special assessments to cover the construction and debt associated with work in a drain district. The amount is determined by September 1 and is added to the December tax bill. The special assessments become an enforceable lien on property as of December 1. Taxes are levied on December 1, and are payable by February 28. The cities and townships within the County bill and collect the assessments for the County. Special assessments levied December 1 are considered revenue for the subsequent years; therefore, special assessments in the governmental funds have been offset by deferred revenue. The property owner may pay off the assessment early or pay the portion due for that year. The total amount that is not expected to be collected within one year is \$2,467,098.

4. DEFINED BENEFIT PENSION PLAN

The Drain Commission participates with the County in their single-employer defined benefit pension plan, the Bay County Employees' Retirement System (the "Plan"). The Plan provides retirement, disability, and death benefits to plan members and their beneficiaries. The Plan does not issue stand-alone financial statements and is not included in the financial report of any other entity. Complete disclosures related to the Plan can be found in the County's Comprehensive Annual Financial Report.

BAY COUNTY DRAIN COMMISSION

NOTES TO FINANCIAL STATEMENTS

5. CAPITAL ASSETS

The following table summarizes the changes in the capital assets for the year ended December 31, 2007:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Construction in progress	\$ -	\$ 234,288	\$ -	\$ 234,288
Land	355,673	-	(30,000)	325,673
Total capital assets not being depreciated	<u>355,673</u>	<u>234,288</u>	<u>(30,000)</u>	<u>559,961</u>
Capital assets being depreciated:				
Land improvements	1,524,477	219,669	-	1,744,146
Buildings and improvements	171,681	-	-	171,681
Machinery and equipment	345,826	30,345	(462)	375,709
Office furniture and fixtures	44,843	-	(1,762)	43,081
Vehicles and other	104,908	9,515	-	114,423
Total capital assets being depreciated	<u>2,191,735</u>	<u>259,529</u>	<u>(2,224)</u>	<u>2,449,040</u>
Less accumulated depreciation				
Land improvements	(67,544)	(31,480)	-	(99,024)
Buildings and improvements	(153,680)	(5,728)	-	(159,408)
Machinery and equipment	(187,802)	(11,947)	462	(199,287)
Office furniture and fixtures	(44,843)	-	1,762	(43,081)
Vehicles and other	(49,894)	(11,708)	-	(61,602)
Total accumulated depreciation	<u>(503,763)</u>	<u>(60,863)</u>	<u>2,224</u>	<u>(562,402)</u>
Total capital assets being depreciated, net	<u>1,687,972</u>	<u>198,666</u>	<u>-</u>	<u>1,886,638</u>
Total capital assets, net	<u>\$2,043,645</u>	<u>\$ 432,954</u>	<u>\$(30,000)</u>	<u>\$2,446,599</u>

BAY COUNTY DRAIN COMMISSION

NOTES TO FINANCIAL STATEMENTS

6. LONG-TERM DEBT

Long-term debt consists of limited tax general obligation bonds and notes, described as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Bonds payable:					
Columbia Drainage District Bonds					
The bonds dated September 1, 1988 which bear interest at 5.8% to 7.8% are due serially through 2008.	\$ 140,000	\$ -	\$ (70,000)	\$ 70,000	\$ 70,000
Auburn Road Drain Bonds					
The bonds dated December 1, 1992 which bear interest at 4.5% to 8.0% are due serially through 2013.	800,000	-	(100,000)	700,000	100,000
Baxman Drain Bonds					
The bonds dated March 1, 2004, which bear interest at 2.25% to 3.5% are due serially through 2012.	295,000	-	(45,000)	250,000	50,000
Constant DuRussell Intercounty Drain Bonds					
The bonds dated September 1, 2005 which bear interest at 3.0% to 3.35% are due serially through 2010.	132,000	-	(33,000)	99,000	33,000
Goetz Intercounty Drain Bonds					
The bonds dated December 1, 2006 which bear interest at 4.0% are due serially through 2014.	<u>496,091</u>	<u>-</u>	<u>-</u>	<u>496,091</u>	<u>60,870</u>
Total bonds payable	<u>1,863,091</u>	<u>-</u>	<u>(248,000)</u>	<u>1,615,091</u>	<u>313,870</u>

The payments of principal and interest for each bond are to be made primarily from special assessments on the applicable drainage district. The County has pledged its full faith and credit for the payment of each of the bonds.

BAY COUNTY DRAIN COMMISSION

NOTES TO FINANCIAL STATEMENTS

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Notes payable:					
Munger Road Drain, due on June 1, 2010, at an interest rate of 4.75%	\$ 134,410	\$ -	\$ (33,602)	\$ 100,808	\$ 33,602
Rosebush Drain, due on June 1, 2010, at an interest rate of 4.75%	122,506	-	(30,627)	91,880	30,627
McDonald Drain, due on June 1, 2012, at an interest rate of 4.90%	106,179	-	(17,696)	88,481	17,696
Batko Drain, due on June 1, 2010, at an interest rate of 4.75%	24,538	-	(6,135)	18,404	6,135
Arnold Drain, due on June 1, 2010, at an interest rate of 4.75%	34,508	-	(8,627)	25,881	8,627
Kindell Drain, due on June 1, 2011, at an interest rate of 3.79%	60,403	-	(12,592)	47,811	12,400
Schroeder Drain, due on June 1, 2009, at an interest rate of 4.53%	17,182	-	(5,727)	11,455	5,727
Vennard Drain, due on June 1, 2009, at an interest rate of 4.58%	9,500	-	(3,167)	6,333	3,167
Kolb Drain, due on June 1, 2011, at an interest rate of 4.46%	-	35,000	-	35,000	-
Stieve Drain, due on June 1, 2012, at an interest rate of 4.60%	-	19,212	-	19,212	3,842
Shinbine Drain, due on June 1, 2012, at an interest rate of 4.60%	-	23,141	-	23,141	4,628
BIS Drain, due on June 1, 2018, at an interest rate of 4.59%	-	120,000	-	120,000	-
Dell Creek Drain, due on June 1, 2016, at an interest rate of 4.19%	-	625,234	-	625,234	-
Total notes payable	<u>509,226</u>	<u>822,587</u>	<u>(118,173)</u>	<u>1,213,640</u>	<u>126,451</u>
Total long-term debt	<u>\$ 2,372,317</u>	<u>\$ 822,587</u>	<u>\$ (366,173)</u>	<u>\$ 2,828,731</u>	<u>\$ 440,321</u>

Maturities of long-term debt are as follows:

	<u>Principal</u>	<u>Interest</u>
2008	\$ 440,321	\$ 89,626
2009	471,660	120,855
2010	496,747	81,835
2011	390,800	59,497
2012	367,410	41,226
2013-2017	649,793	53,595
2018	12,000	551
Total	<u>\$ 2,828,731</u>	<u>\$ 447,185</u>

BAY COUNTY DRAIN COMMISSION

NOTES TO FINANCIAL STATEMENTS

7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The amounts of interfund receivables and payables are as follows:

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>
Capital Projects Funds:		
Drain Capital Projects Fund	\$ 12,213	\$ 253,839
Portsmouth Drain		
Operation and Maintenance	-	686
Bangor Consolidated Drain		
Operation and Maintenance	9,401	-
Revolving Drain	<u>232,911</u>	<u>-</u>
Total	<u>\$ 254,525</u>	<u>\$ 254,525</u>

Interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

The amounts of transfers in and transfers out are as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Capital Projects Funds:		
Drain Capital Projects Fund	\$ 417,077	\$ 397,761
Drain Debt Service Fund	1,500	14
Bangor Consolidated Drain		
Operation and Maintenance	<u>-</u>	<u>20,802</u>
Total	<u>\$ 418,577</u>	<u>\$ 418,577</u>

Transfers are used to (1) reimburse expenditures paid by one drain fund that represent expenditures of another fund and (2) move excess debt proceeds from capital projects activities to operations and maintenance activities.

* * * * *

COMBINING FINANCIAL STATEMENTS

BAY COUNTY DRAIN COMMISSION
A COMPONENT UNIT OF BAY COUNTY
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2007

	DEBT SERVICE FUND		CAPITAL PROJECTS FUNDS		
	Columbia Drain District Debt Service Fund	Hampton Charter Drain Operation and Maintenance	Portsmouth Drain Operation and Maintenance	Revolving Drain	Total
Assets					
Cash and cash equivalents	\$ 70,494	\$ 112,091	\$ 8,637	\$ -	\$ 191,222
Special assessments receivable	43,071	-	-	-	43,071
Accrued interest receivable	821	1,559	75	-	2,455
Due from other funds	-	-	-	232,911	232,911
Due from primary government	7,979	11,410	195	-	19,584
Due from other governmental units	10,828	-	3,500	-	14,328
Total Assets	\$ 133,193	\$ 125,060	\$ 12,407	\$ 232,911	\$ 503,571
Liabilities and Fund Balances					
Liabilities					
Accounts payable	\$ -	\$ 856	\$ 195	\$ -	\$ 1,051
Due to other governmental units	-	5,050	-	-	5,050
Due to other funds	-	-	686	-	686
Due to primary government	-	-	230	232,911	233,141
Deferred revenue	73,355	13,300	3,887	-	90,542
Total Liabilities	73,355	19,206	4,998	232,911	330,470
Fund Balances					
Reserved for debt service	59,838	-	-	-	59,838
Unreserved / undesignated	-	105,854	7,409	-	113,263
Total fund balances	59,838	105,854	7,409	-	173,101
Total Liabilities and Fund Balances	\$ 133,193	\$ 125,060	\$ 12,407	\$ 232,911	\$ 503,571

BAY COUNTY DRAIN COMMISSION
A COMPONENT UNIT OF BAY COUNTY
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2007

	DEBT SERVICE FUND	CAPITAL PROJECTS FUNDS			
	Columbia Drain District Debt Service Fund	Hampton Charter Drain Operation and Maintenance	Portsmouth Drain Operation and Maintenance	Revolving Drain	Total
Revenue					
Licenses and permits	\$ -	\$ 500	\$ -	\$ -	\$ 500
Special assessments	57,591	1,890	247	-	59,728
Interest, rents and reimbursements	4,166	7,205	374	-	11,745
Reimbursements, refunds, and other revenues	8,522	11,410	250	-	20,182
Contribution from local units	11,566	-	5,000	-	16,566
Total Revenue	81,845	21,005	5,871	-	108,721
Expenditures					
Debt service:					
Principal	70,000	-	-	-	70,000
Interest and fiscal charges	7,605	-	-	-	7,605
Contractual services	-	12,170	6,713	-	18,883
Capital outlay	-	30,345	-	-	30,345
Total Expenditures	77,605	42,515	6,713	-	126,833
Net Change in Fund Balances	4,240	(21,510)	(842)	-	(18,112)
Fund Balances, Beginning of Year	55,598	127,364	8,251	-	191,213
Fund Balances, End of Year	\$ 59,838	\$ 105,854	\$ 7,409	\$ -	\$ 173,101

SCHEDULES

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Net Worth (Unaudited)
As of December 31, 2007

	Ames	Auburn	Anderson	Appold
Assets				
Cash	\$ 150	\$ 6,657	\$ 32	\$ 534
Due from other funds	-	-	-	-
Due from other governmental units	-	-	-	-
Due from primary government	-	-	-	-
Assessments receivable	-	-	-	-
Interest receivable	-	71	-	-
Total assets	150	6,728	32	534
Liabilities				
Accounts payable	-	15	-	-
Due to other funds	-	482	-	-
Due to primary government	-	102	-	-
Due to other governmental units	-	1,397	-	-
Deferred revenue	-	-	-	-
Total liabilities	-	1,996	-	-
Net worth	\$ 150	\$ 4,732	\$ 32	\$ 534

Arnold	Augustyniak	Bartlett	Batko	Bauer & Brs.	Beard	Beaver Dam
\$ 9,766	\$ 1,885	\$ 1,800	\$ 12,793	\$ 2,298	\$ 3,685	\$ 8,827
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
112	18	21	146	26	40	104
9,878	1,903	1,821	12,939	2,324	3,725	8,931
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ 9,878	\$ 1,903	\$ 1,821	\$ 12,939	\$ 2,324	\$ 3,725	\$ 8,931

(Continued)

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Net Worth (Unaudited)
As of December 31, 2007

	Beckman	Goss	Behmlander	Beiser	Bench
Assets					
Cash	\$ 8	\$ 17,496	\$ 17,878	\$ 13,279	\$ 357
Due from other funds	-	-	-	-	-
Due from other governmental units	-	-	-	-	-
Due from primary government	-	-	-	-	-
Assessments receivable	-	-	-	-	-
Interest receivable	-	206	207	157	-
Total assets	8	17,702	18,085	13,436	357
Liabilities					
Accounts payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Due to primary government	-	-	-	-	-
Due to other governmental units	-	-	-	-	-
Deferred revenue	-	-	-	-	-
Total liabilities	-	-	-	-	-
Net worth	\$ 8	\$ 17,702	\$ 18,085	\$ 13,436	\$ 357

Betzold	Bleshenski	Blondin & Branches	Bradford Creek & Branches	Bryce	Budd	Buechler	Campbell
\$ 8,026	\$ 272	\$ 936	\$ 41,944	\$ 1,080	\$ -	\$ -	\$ 539
-	-	-	-	-	-	-	-
-	-	-	-	-	-	365	-
-	-	-	-	-	-	471	-
-	-	-	-	-	-	1,664	-
94	-	-	492	-	-	-	-
8,120	272	936	42,436	1,080	-	2,500	539
-	-	-	-	-	-	-	-
266	-	-	536	-	-	399	-
-	-	-	-	-	-	24	-
-	-	-	900	-	-	-	-
-	-	-	-	-	-	2,500	-
266	-	-	1,436	-	-	2,923	-
\$ 7,854	\$ 272	\$ 936	\$ 41,000	\$ 1,080	\$ -	\$ (423)	\$ 539

(Continued)

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Net Worth (Unaudited)
As of December 31, 2007

	Cassube	Cheboyganning Creek Sag Bay	Chip Road	Clark	Coggins, Green, Poirer
Assets					
Cash	\$ -	\$ 1,215	\$ -	\$ 427	\$ 35,470
Due from other funds	-	-	-	-	-
Due from other governmental units	-	-	330	-	-
Due from primary government	-	-	220	-	-
Assessments receivable	-	-	1,650	-	-
Interest receivable	-	14	-	-	416
Total assets	-	1,229	2,200	427	35,886
Liabilities					
Accounts payable	-	-	-	-	-
Due to other funds	5,113	-	2,167	-	-
Due to primary government	271	-	-	-	-
Due to other governmental units	-	-	-	-	-
Deferred revenue	-	-	2,200	-	-
Total liabilities	5,384	-	4,367	-	-
Net worth	\$ (5,384)	\$ 1,229	\$ (2,167)	\$ 427	\$ 35,886

Cole	Col. Salz, Wen. Kes & Br.	Constant DuRussell	Cooper	Countegan	Crump	Culver Creek	Dredge Cut 1921
\$ 365	\$ (208)	\$ 878	\$ 100	\$ -	\$ 46,688	\$ 17,640	\$ 9,902
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	550	207	116
365	(208)	878	100	-	47,238	17,847	10,018
-	124	-	-	-	-	-	-
-	9,982	-	-	-	-	336	-
-	4,111	-	-	-	-	-	-
-	-	-	-	-	-	550	-
-	-	-	-	-	-	-	-
-	14,217	-	-	-	-	886	-
\$ 365	\$ (14,425)	\$ 878	\$ 100	\$ -	\$ 47,238	\$ 16,961	\$ 10,018

(Continued)

**Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Net Worth (Unaudited)
As of December 31, 2007**

	Davis	DeClerk	Dell Creek & Brs.	Dell Creek & Brs. #5
Assets				
Cash	\$ 13,649	\$ 100	\$ 29,298	\$ 50
Due from other funds	-	-	3,395	-
Due from other governmental units	-	-	-	-
Due from primary government	-	-	-	-
Assessments receivable	-	-	-	-
Interest receivable	160	-	87	-
Total assets	13,809	100	32,780	50
Liabilities				
Accounts payable	-	-	-	-
Due to other funds	-	-	3,317	-
Due to primary government	-	-	-	-
Due to other governmental units	-	-	1,000	-
Deferred revenue	-	-	-	-
Total liabilities	-	-	4,317	-
Net worth	\$ 13,809	\$ 100	\$ 28,463	\$ 50

Denton Dr.	DeShano	Dewyse	Diehl	Dingman	Douglas	Dubay
\$ 4,212	\$ 3,047	\$ 31,475	\$ 203	\$ 2,337	\$ 76	\$ 19,841
-	-	-	-	-	-	-
-	-	-	-	-	2,384	-
-	-	-	-	-	3,092	-
-	-	-	-	-	14,150	-
50	34	369	-	22	-	223
4,262	3,081	31,844	203	2,359	19,702	20,064
-	-	-	-	-	-	-
-	-	-	-	-	16,003	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	19,859	-
-	-	-	-	-	35,862	-
\$ 4,262	\$ 3,081	\$ 31,844	\$ 203	\$ 2,359	\$ (16,160)	\$ 20,064

(Continued)

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Net Worth (Unaudited)
As of December 31, 2007

	Erickson	Fanger	Fisher	Fitzhugh Dr
Assets				
Cash	\$ 47,062	\$ 30,474	\$ 846	\$ (85)
Due from other funds	-	-	-	-
Due from other governmental units	-	-	-	1,240
Due from primary government	-	-	-	1,240
Assessments receivable	-	-	-	9,920
Interest receivable	548	359	-	-
Total assets	47,610	30,833	846	12,315
Liabilities				
Accounts payable	-	-	-	-
Due to other funds	-	-	-	10,401
Due to primary government	-	-	-	-
Due to other governmental units	-	-	-	-
Deferred revenue	-	-	-	12,400
Total liabilities	-	-	-	22,801
Net worth	\$ 47,610	\$ 30,833	\$ 846	\$ (10,486)

Forester	Fraser-Garfield	Garvey	German Rd	Gibson	Goetz	Goulet
\$ 1,218	\$ 408	\$ 532	\$ 24,883	\$ -	\$ -	\$ 707
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	291	-	-	-
1,218	408	532	25,174	-	-	707
-	-	-	-	-	-	-
-	3,379	-	164	305	853	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	3,379	-	164	305	853	-
\$ 1,218	\$ (2,971)	\$ 532	\$ 25,010	\$ (305)	\$ (853)	\$ 707

(Continued)

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Net Worth (Unaudited)
As of December 31, 2007

	Graham	Gregory	Gunther	Hadd
Assets				
Cash	\$ 2,373	\$ 100	\$ 282	\$ 5,764
Due from other funds	-	-	-	-
Due from other governmental units	-	-	-	392
Due from primary government	-	-	-	135
Assessments receivable	-	-	-	1,891
Interest receivable	22	-	-	67
Total assets	2,395	100	282	8,249
Liabilities				
Accounts payable	-	-	-	26
Due to other funds	-	-	-	488
Due to primary government	-	-	-	230
Due to other governmental units	-	-	-	-
Deferred revenue	-	-	-	2,500
Total liabilities	-	-	-	3,244
Net worth	\$ 2,395	\$ 100	\$ 282	\$ 5,005

Halstead	Hayward	Hearit	Helmuth	Hembling- Main	Hildebrandt- Anderson	Histead
\$ 15,657	\$ -	\$ 200	\$ -	\$ 85,989	\$ 52,024	\$ 5,566
-	-	-	-	-	-	-
-	-	-	375	-	-	-
-	-	-	375	-	-	-
-	-	-	1,750	-	-	-
184	-	-	-	1,013	605	55
15,841	-	200	2,500	87,002	52,629	5,621
-	-	-	-	-	-	-
-	-	-	2,492	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	2,500	-	-	-
-	-	-	4,992	-	-	-
\$ 15,841	\$ -	\$ 200	\$ (2,492)	\$ 87,002	\$ 52,629	\$ 5,621

(Continued)

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Net Worth (Unaudited)
As of December 31, 2007

	Hoppler Crk	Hudson	Indiantown	Johnson	Kaiser
Assets					
Cash	\$ 1,181	\$ 17,100	\$ 215	\$ 26,533	\$ 3,397
Due from other funds	-	-	-	-	-
Due from other governmental units	-	-	-	-	-
Due from primary government	-	-	-	-	-
Assessments receivable	-	-	-	-	-
Interest receivable	-	197	-	309	40
Total assets	1,181	17,297	215	26,842	3,437
Liabilities					
Accounts payable	-	-	-	-	-
Due to other funds	12,563	-	-	80	-
Due to primary government	-	-	-	-	-
Due to other governmental units	450	-	-	-	-
Deferred revenue	-	-	-	-	-
Total liabilities	13,013	-	-	80	-
Net worth	\$ (11,832)	\$ 17,297	\$ 215	\$ 26,762	\$ 3,437

Kannell	Kesemeier	Kaweck	Keck	Kerr	Kindell & Bros	Kinney
\$ (72)	\$ -	\$ 609	\$ 6,131	\$ 3,432	\$ 35,805	\$ 2,829
-	-	-	-	-	-	-
-	-	-	-	-	-	-
318	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	72	37	410	27
246	-	609	6,203	3,469	36,215	2,856
-	-	-	-	-	-	-
144	-	-	1,738	-	-	-
102	-	-	153	-	-	-
-	-	-	-	-	-	-
318	-	-	-	-	-	-
564	-	-	1,891	-	-	-
\$ (318)	\$ -	\$ 609	\$ 4,312	\$ 3,469	\$ 36,215	\$ 2,856

(Continued)

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Net Worth (Unaudited)
As of December 31, 2007

	Klauss	Kochville- Frank	Kolb	Kossick	Kowalski
Assets					
Cash	\$ 976	\$ 61,470	\$ (54)	\$ 100	\$ 535
Due from other funds	-	-	-	-	-
Due from other governmental units	-	-	-	-	-
Due from primary government	-	-	-	-	-
Assessments receivable	-	-	-	-	-
Interest receivable	-	718	-	-	-
Total assets	976	62,188	(54)	100	535
Liabilities					
Accounts payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Due to primary government	-	-	-	-	-
Due to other governmental units	-	-	-	-	-
Deferred revenue	-	-	-	-	-
Total liabilities	-	-	-	-	-
Net worth	\$ 976	\$ 62,188	\$ (54)	\$ 100	\$ 535

Krainer	Krzyzaniak	Lambert	Lapan	Lee Davis	Legness	Lesp. Rezler Taylor
\$ 36	\$ 77	\$ 34,255	\$ 198	\$ 410	\$ 578	\$ 694
-	-	-	-	-	-	-
300	-	-	-	-	-	-
100	-	-	-	-	-	-
1,600	-	-	-	-	-	-
-	-	397	-	-	-	-
2,036	77	34,652	198	410	578	694
-	-	-	-	-	-	-
457	-	-	-	-	-	175
1,488	-	-	-	-	-	153
-	-	-	-	-	-	-
2,000	-	-	-	-	-	-
3,945	-	-	-	-	-	328
\$ (1,909)	\$ 77	\$ 34,652	\$ 198	\$ 410	\$ 578	\$ 366

(Continued)

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Net Worth (Unaudited)
As of December 31, 2007

	Lincoln	Link	Livingston	Lobodzinski	MacArthur (Sag Bay/Merritt)	McDonald
Assets						
Cash	\$ 329	\$ 2,702	\$ 20,744	\$ 202	\$ (146)	\$ 20,090
Due from other funds	-	-	-	-	-	-
Due from other governmental units	-	-	-	-	360	-
Due from primary government	-	-	-	-	841	-
Assessments receivable	-	-	-	-	4,799	-
Interest receivable	-	29	244	-	-	234
Total assets	329	2,731	20,988	202	5,854	20,324
Liabilities						
Accounts payable	-	-	-	-	-	-
Due to other funds	-	-	-	-	4,993	36
Due to primary government	-	-	-	-	392	-
Due to other governmental units	-	-	-	-	-	-
Deferred revenue	-	-	-	-	6,000	-
Total liabilities	-	-	-	-	11,385	36
Net worth	\$ 329	\$ 2,731	\$ 20,988	\$ 202	\$ (5,531)	\$ 20,288

McArthur (Williams)	Mason	Mayville	Meddaugh	Merritt	Meyer
\$ 4,867	\$ 7,600	\$ 29,565	\$ 6,330	\$ 381	\$ 98
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
57	90	342	75	-	-
4,924	7,690	29,907	6,405	381	98
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 4,924	\$ 7,690	\$ 29,907	\$ 6,405	\$ 381	\$ 98

(Continued)

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Net Worth (Unaudited)
As of December 31, 2007

	Michalski	Mill Pond	Mill Pond #4	Monsion
Assets				
Cash	\$ 2,760	\$ 4,808	\$ 213	\$ 678
Due from other funds	-	-	-	-
Due from other governmental units	-	-	-	-
Due from primary government	-	-	-	-
Assessments receivable	-	-	-	-
Interest receivable	30	56	-	-
Total assets	2,790	4,864	213	678
Liabilities				
Accounts payable	-	-	-	-
Due to other funds	-	-	-	-
Due to primary government	-	-	-	-
Due to other governmental units	-	3,575	25	-
Deferred revenue	-	-	-	-
Total liabilities	-	3,575	25	-
Net worth	\$ 2,790	\$ 1,289	\$ 188	\$ 678

Moore	Muldoon Ditch	Munger Road	Nearing & Dean	North Br Dr	Oakwood	Old Townline
\$ 606	\$ 200	\$ 32,983	\$ 2,084	\$ 17,293	\$ 10,717	\$ 14,590
-	-	-	-	-	-	-
-	-	-	-	-	377	-
-	-	-	-	-	83	-
-	-	-	-	-	1,959	-
-	-	385	25	204	120	172
606	200	33,368	2,109	17,497	13,256	14,762
-	-	-	-	-	12	-
-	-	-	-	-	476	-
-	-	-	-	-	205	-
-	-	-	-	-	-	-
-	-	-	-	-	2,500	-
-	-	-	-	-	3,193	-
\$ 606	\$ 200	\$ 33,368	\$ 2,109	\$ 17,497	\$ 10,063	\$ 14,762

(Continued)

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Net Worth (Unaudited)
As of December 31, 2007

	Ott	O'Keefe	Panzer	Penkala
Assets				
Cash	\$ 714	\$ 1,486	\$ 1,663	\$ 216
Due from other funds	-	-	-	-
Due from other governmental units	-	-	-	-
Due from primary government	-	-	-	-
Assessments receivable	-	-	-	-
Interest receivable	-	-	20	-
Total assets	714	1,486	1,683	216
Liabilities				
Accounts payable	-	-	-	-
Due to other funds	-	-	-	-
Due to primary government	-	-	-	-
Due to other governmental units	-	-	-	-
Deferred revenue	-	-	-	-
Total liabilities	-	-	-	-
Net worth	\$ 714	\$ 1,486	\$ 1,683	\$ 216

Perry Creek	Phillips	Pine	Plant Road	Popp	Prast	Railroad Dr
\$ 9,895	\$ -	\$ 962	\$ 41,631	\$ 55,474	\$ 22,464	\$ 4,055
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
115	-	-	491	650	265	48
10,010	-	962	42,122	56,124	22,729	4,103
-	-	-	-	-	-	-
-	1,015	-	351	-	-	1,245
-	696	-	141	-	-	396
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	1,711	-	492	-	-	1,641
\$ 10,010	\$ (1,711)	\$ 962	\$ 41,630	\$ 56,124	\$ 22,729	\$ 2,462

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Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Net Worth (Unaudited)
As of December 31, 2007

	Raska	Rathke	Rattell	Redy
Assets				
Cash	\$ 109	\$ 579	\$ 4,577	\$ 127
Due from other funds	-	-	-	-
Due from other governmental units	-	-	-	-
Due from primary government	-	-	-	-
Assessments receivable	-	-	-	-
Interest receivable	-	-	54	-
Total assets	109	579	4,631	127
Liabilities				
Accounts payable	-	-	-	-
Due to other funds	-	-	-	-
Due to primary government	-	-	-	-
Due to other governmental units	-	-	-	-
Deferred revenue	-	-	-	-
Total liabilities	-	-	-	-
Net worth	\$ 109	\$ 579	\$ 4,631	\$ 127

Reichard	Reinhart	Renner	Ripley	Robbins	Rosebush	Rouche
\$ -	\$ 705	\$ -	\$ 4,972	\$ 9,419	\$ 39,688	\$ 640
-	-	-	-	-	-	-
350	-	11	-	-	-	-
198	-	-	-	-	-	-
1,952	-	-	-	-	-	-
-	-	-	59	111	465	-
2,500	705	11	5,031	9,530	40,153	640
-	-	-	-	-	-	-
2,336	-	-	-	-	163	-
-	-	11	-	-	-	-
-	-	-	-	-	-	-
2,500	-	11	-	-	-	-
4,836	-	22	-	-	163	-
\$ (2,336)	\$ 705	\$ (11)	\$ 5,031	\$ 9,530	\$ 39,990	\$ 640

(Continued)

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Net Worth (Unaudited)
As of December 31, 2007

	Russell Rd	Schoof	Schroeder	Schumacker- Ellison	Secord
Assets					
Cash	\$ 1,995	\$ 7,418	\$ 1,214	\$ 3,960	\$ 71
Due from other funds	-	-	-	-	-
Due from other governmental units	-	-	-	-	-
Due from primary government	-	-	-	-	-
Assessments receivable	-	-	-	-	-
Interest receivable	24	81	-	40	-
Total assets	2,019	7,499	1,214	4,000	71
Liabilities					
Accounts payable	-	-	-	-	-
Due to other funds	-	-	392	-	-
Due to primary government	-	-	-	-	-
Due to other governmental units	-	-	-	-	-
Deferred revenue	-	-	-	-	-
Total liabilities	-	-	392	-	-
Net worth	\$ 2,019	\$ 7,499	\$ 822	\$ 4,000	\$ 71

Seebeck	Selle	Selleck & Brs	Shinbines	Shue	Stieve	Stone	Tap-Grove	Tebo-Erickson
\$ -	\$ 638	\$ 2,128	\$ 3,193	\$ 251	\$ 1,643	\$ 1,671	\$ 2,020	\$ 768
-	-	-	-	-	-	-	-	-
375	-	-	-	-	-	-	-	-
250	-	-	-	-	-	-	-	-
1,875	-	-	-	-	-	-	-	-
-	-	18	36	-	18	20	20	-
2,500	638	2,146	3,229	251	1,661	1,691	2,040	768
-	-	-	-	-	-	-	-	-
3,419	-	-	-	-	377	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	1,600	-	-
2,500	-	-	-	-	-	-	-	-
5,919	-	-	-	-	377	1,600	-	-
\$ (3,419)	\$ 638	\$ 2,146	\$ 3,229	\$ 251	\$ 1,284	\$ 91	\$ 2,040	\$ 768

(Continued)

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Net Worth (Unaudited)
As of December 31, 2007

	Tennant	Tobico	Trieber	Trombley Main
Assets				
Cash	\$ 425	\$ 338	\$ 9,027	\$ 76,778
Due from other funds	-	-	-	-
Due from other governmental units	-	-	-	-
Due from primary government	-	-	-	-
Assessments receivable	-	-	-	-
Interest receivable	-	-	104	904
Total assets	425	338	9,131	77,682
Liabilities				
Accounts payable	-	-	-	-
Due to other funds	-	-	51	228
Due to primary government	-	-	-	-
Due to other governmental units	-	-	-	-
Deferred revenue	-	-	-	-
Total liabilities	-	-	51	228
Net worth	\$ 425	\$ 338	\$ 9,080	\$ 77,454

Uhlman	Uhlman Branch	VanDeVyvere	Vennard	Vogtman	Waldo	Walk
\$ 47,567	\$ 2,047	\$ 2,983	\$ 2,031	\$ 4,343	\$ 11,420	\$ 100
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
560	24	30	17	51	130	-
48,127	2,071	3,013	2,048	4,394	11,550	100
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ 48,127	\$ 2,071	\$ 3,013	\$ 2,048	\$ 4,394	\$ 11,550	\$ 100

(Continued)

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Net Worth (Unaudited)
As of December 31, 2007

	Warmbier	Webster Merritt	Webster Williams	Wecker
Assets				
Cash	\$ 2,331	\$ 721	\$ 50	\$ 9,649
Due from other funds	-	-	-	-
Due from other governmental units	-	-	-	-
Due from primary government	-	-	-	-
Assessments receivable	-	-	-	-
Interest receivable	27	-	-	111
Total assets	2,358	721	50	9,760
Liabilities				
Accounts payable	-	-	-	-
Due to other funds	-	-	-	-
Due to primary government	-	-	-	-
Due to other governmental units	-	-	-	-
Deferred revenue	-	-	-	-
Total liabilities	-	-	-	-
Net worth	\$ 2,358	\$ 721	\$ 50	\$ 9,760

Wegener	Weiss Meade	Wenglikowski	West Branch	West Branch #1	West Branch #2	Wetter
\$ 6,365	\$ 81,185	\$ 370	\$ 32,014	\$ 6,996	\$ 3,969	\$ 3,203
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
75	946	-	370	82	47	38
6,440	82,131	370	32,384	7,078	4,016	3,241
-	-	-	177	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	177	-	-	-
\$ 6,440	\$ 82,131	\$ 370	\$ 32,207	\$ 7,078	\$ 4,016	\$ 3,241

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**Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Net Worth (Unaudited)
As of December 31, 2007**

	White	WhiteFeather Wilson	WhiteFeather Br. 1	WhiteFeather Br. 2	WhiteFeather
Assets					
Cash	\$ 1,520	\$ 20	\$ 304	\$ 632	\$ 23,841
Due from other funds	-	-	-	-	-
Due from other governmental units	-	-	-	-	-
Due from primary government	-	-	-	-	-
Assessments receivable	-	-	-	-	-
Interest receivable	18	-	-	-	277
Total assets	1,538	20	304	632	24,118
Liabilities					
Accounts payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Due to primary government	-	-	-	-	-
Due to other governmental units	-	-	-	-	-
Deferred revenue	-	-	-	-	-
Total liabilities	-	-	-	-	-
Net worth	\$ 1,538	\$ 20	\$ 304	\$ 632	\$ 24,118

Wilcox	Williard	Wilson	WhiteFeather Br. 3	Witbrodt	Wolverine	Youngs Ditch	Ziegler
\$ 381	\$ 24	\$ 105	\$ -	\$ 50	\$ -	\$ 15,853	\$ 238
-	-	-	-	-	-	-	-
-	-	-	-	-	547	-	1,043
-	-	-	-	407	250	-	537
-	-	-	-	1,593	1,704	-	5,045
-	-	-	-	-	-	187	-
381	24	105	-	2,050	2,501	16,040	6,863
-	-	-	-	-	-	-	100
64,258	-	-	-	1,300	2,632	-	1,490
46	-	-	-	-	149	-	205
500	-	-	-	-	-	-	-
-	-	-	-	2,000	2,500	-	7,000
64,804	-	-	-	3,300	5,281	-	8,795
\$ (64,423)	\$ 24	\$ 105	\$ -	\$ (1,250)	\$ (2,780)	\$ 16,040	\$ (1,932)

(Continued)

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Net Worth (Unaudited)
As of December 31, 2007

	Zimmerman	Baxman	Bis	Dingman #3	Erickson Branch 1&2
Assets					
Cash	\$ 100	\$ 38,246	\$ 914	\$ 3,458	\$ 30,687
Due from other funds	-	-	-	-	-
Due from other governmental units	-	-	-	-	-
Due from primary government	-	-	-	-	-
Assessments receivable	-	-	-	-	-
Interest receivable	-	449	-	41	357
Total assets	100	38,695	914	3,499	31,044
Liabilities					
Accounts payable	-	-	-	-	-
Due to other funds	-	511	-	-	-
Due to primary government	-	-	-	-	-
Due to other governmental units	-	-	-	-	-
Deferred revenue	-	-	-	-	-
Total liabilities	-	511	-	-	-
Net worth	\$ 100	\$ 38,184	\$ 914	\$ 3,499	\$ 31,044

Erickson Branch 1&4	Fraser- Garfield #2	Hugo	Kochville- Frankenlust	Kiesel	Kolb,Behm, Ebelt,Stephan	McNally
\$ 720	\$ 299	\$ 546	\$ 556	\$ 23,371	\$ 34	\$ 9,104
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	271	-	107
720	299	546	556	23,642	34	9,211
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ 720	\$ 299	\$ 546	\$ 556	\$ 23,642	\$ 34	\$ 9,211

(Continued)

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Net Worth (Unaudited)
As of December 31, 2007

	Pinconning So Branch	Selleck Br. #2	Tebo Upper	Trombely Br. #1
Assets				
Cash	\$ 5,901	\$ 3,133	\$ 46,366	\$ 497
Due from other funds	-	-	-	-
Due from other governmental units	-	-	-	-
Due from primary government	-	-	-	-
Assessments receivable	-	-	-	-
Interest receivable	66	37	539	-
Total assets	5,967	3,170	46,905	497
Liabilities				
Accounts payable	-	-	-	-
Due to other funds	-	-	-	-
Due to primary government	-	-	-	-
Due to other governmental units	-	-	-	-
Deferred revenue	-	-	-	-
Total liabilities	-	-	-	-
Net worth	\$ 5,967	\$ 3,170	\$ 46,905	\$ 497

Tebo Main	Weiss Br of Weiss Rd	Fraser- Garfield #3	Kerr,Jammer, Szymanski	Stephan & Bros	Quanicassee River I.C.	Pinconning River
\$ 300	\$ 8,529	\$ 405	\$ 3,413	\$ 4,562	\$ 2,724	\$ 412
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	98	-	41	54	32	-
300	8,627	405	3,454	4,616	2,756	412
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ 300	\$ 8,627	\$ 405	\$ 3,454	\$ 4,616	\$ 2,756	\$ 412

(Continued)

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Net Worth (Unaudited)
As of December 31, 2007

	Kawkawlin River	Saginaw- Midland	Saganing River	Bis Extension
Assets				
Cash	\$ 1,784	\$ 2	\$ 100	\$ -
Due from other funds	-	-	-	-
Due from other governmental units	-	-	-	-
Due from primary government	-	-	-	-
Assessments receivable	-	-	-	-
Interest receivable	19	-	-	-
Total assets	1,803	2	100	-
Liabilities				
Accounts payable	-	-	-	-
Due to other funds	-	-	-	-
Due to primary government	-	-	-	-
Due to other governmental units	-	-	-	-
Deferred revenue	-	-	-	-
Total liabilities	-	-	-	-
Net worth	\$ 1,803	\$ 2	\$ 100	\$ -

Squaconning Creek	Betzold #1,9,10	Saginaw Bay Site Review	Drain Equipment	Drain Maintenance	Drain Admin Account	Myra Lee Midland Fraser FEMA
\$ 150	\$ 33,995	\$ 1,700	\$ 38,946	\$ 25,534	\$ 169,093	\$ 1,204
-	-	-	5,501	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	401	-	437	634	1,860	-
150	34,396	1,700	44,884	26,168	170,953	1,204
-	-	-	-	-	971	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	1,700	-	-	-	-
-	-	-	-	-	-	-
-	-	1,700	-	-	971	-
\$ 150	\$ 34,396	\$ -	\$ 44,884	\$ 26,168	\$ 169,982	\$ 1,204

(Continued)

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Net Worth (Unaudited)
As of December 31, 2007

	Garfield Sub Mitigation FEMA	Myra Lee/ Kindell	Construction Accounts		
			Baxman	German Road	Popp Drain
Assets					
Cash	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	3,317	-	-	-	-
Due from other governmental units	-	-	-	-	-
Due from primary government	-	-	-	-	-
Assessments receivable	-	-	-	-	-
Interest receivable	-	-	-	-	-
Total assets	3,317	-	-	-	-
Liabilities					
Accounts payable	-	-	-	-	-
Due to other funds	3,395	-	-	-	-
Due to primary government	-	-	-	-	-
Due to other governmental units	-	-	-	-	-
Deferred revenue	-	-	-	-	-
Total liabilities	3,395	-	-	-	-
Net worth	\$ (78)	\$ -	\$ -	\$ -	\$ -

[illegible]

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Net Worth (Unaudited)
As of December 31, 2007

	Construction Accounts					
	Arnold Drain	Batko Drain	McDonald Drain	Munger Road	Rosebush Drain	Vennard Drain
Assets						
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	-	-	-	-	-	-
Due from other governmental units	-	-	-	-	-	-
Due from primary government	-	-	-	-	-	-
Assessments receivable	-	-	-	-	-	-
Interest receivable	-	-	-	-	-	-
Total assets	-	-	-	-	-	-
Liabilities						
Accounts payable	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Due to primary government	-	-	-	-	-	-
Due to other governmental units	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-
Net worth	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Construction Accounts						
Schroeder Drain	Kolb Drain	Stieve Drain	Shinbine Drain	Bis Drain	Dell Creek Drain	Total
\$ -	\$ 1,322	\$ -	\$ 4,212	\$ 32,714	\$ 318,925	\$ 2,404,320
-	-	-	-	-	-	12,213
-	-	-	-	-	-	8,449
-	-	-	-	-	-	8,517
-	-	-	-	-	-	51,552
-	53	-	76	297	546	24,304
-	1,375	-	4,288	33,011	319,471	2,509,355
-	909	-	-	10,412	3,931	16,677
-	1,407	-	75	-	91,849	253,839
-	258	-	-	-	-	9,133
-	-	-	-	-	-	11,697
-	-	-	-	-	-	69,288
-	2,574	-	75	10,412	95,780	360,634
\$ -	\$ (1,199)	\$ -	\$ 4,213	\$ 22,599	\$ 223,691	\$ 2,148,721

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Changes in Net Worth
For the Year Ended December 31, 2007

	Ames	Auburn	Anderson	Appold
Revenues				
Special assessment revenue	\$ -	\$ -	\$ -	\$ -
Contributions from other governmental units	-	-	-	-
Permits	-	-	-	-
Rent	-	-	-	-
Interest earned on deposits	-	27	-	-
Interest earned on investments	-	383	-	-
Note proceeds	-	-	-	-
Reimbursements, refunds, and other revenues	-	-	-	-
Transfers in	-	-	-	-
Total revenue	-	410	-	-
Expenditures				
Contractual services	-	1,800	-	-
Equipment rental	-	794	-	-
Insurance and bonds	-	-	-	-
Legal fees	-	-	-	-
Professional services	-	-	-	-
Legal notices	-	-	-	-
Repairs and maintenance	-	-	-	-
Reimbursements	-	1,560	-	-
Public utilities	-	241	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
Transfers out	-	-	-	-
Total expenditures	-	4,395	-	-
Total revenue over (under) expenditures	-	(3,985)	-	-
Net worth, beginning of year	150	8,717	32	534
Net worth, end of year	\$ 150	\$ 4,732	\$ 32	\$ 534

Arnold		Augustyniak		Bartlett		Batko		Bauer & Brs.		Beard		Beaver Dam	
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	23		13		1		27		1		15		6
	497		86		93		646		121		180		465
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
520		99		94		673		122		195		471	
	-		-		-		-		-		-		-
	-		-		37		-		-		-		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	-		-		52		-		-		-		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
-		-		89		-		-		-		-	
520		99		5		673		122		195		471	
9,358		1,804		1,816		12,266		2,202		3,530		8,460	
\$	9,878	\$	1,903	\$	1,821	\$	12,939	\$	2,324	\$	3,725	\$	8,931

(Continued)

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Changes in Net Worth
For the Year Ended December 31, 2007

	Beckman	Goss	Behmlander	Beiser	Bench
Revenues					
Special assessment revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions from other governmental units	300	-	-	-	-
Permits	-	-	-	-	-
Rent	-	-	-	-	-
Interest earned on deposits	-	20	26	9	7
Interest earned on investments	-	901	1,220	700	-
Note proceeds	-	-	-	-	-
Reimbursements, refunds, and other revenues	300	-	-	-	-
Transfers in	-	-	-	-	-
Total revenue	600	921	1,246	709	7
Expenditures					
Contractual services	-	-	-	-	-
Equipment rental	-	-	-	-	-
Insurance and bonds	-	-	-	-	-
Legal fees	-	-	-	-	-
Professional services	-	-	-	-	-
Legal notices	-	-	-	-	-
Repairs and maintenance	-	-	-	-	-
Reimbursements	-	-	-	-	-
Public utilities	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Capital outlay	-	-	-	-	-
Transfers out	-	-	7,846	-	-
Total expenditures	-	-	7,846	-	-
Total revenue over (under) expenditures	600	921	(6,600)	709	7
Net worth, beginning of year	(592)	16,781	24,685	12,727	350
Net worth, end of year	\$ 8	\$ 17,702	\$ 18,085	\$ 13,436	\$ 357

Betzold	Bleshenski	Blondin & Branches	Bradford Creek & Branches	Bryce	Budd	Buechler	Campbell
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
-	-	-	-	-	-	-	-
300	-	-	-	100	-	-	-
-	-	-	-	-	-	-	-
8	-	-	34	-	-	20	-
428	-	-	2,207	-	-	159	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
736	-	-	2,241	100	-	179	-
-	-	-	-	-	-	6,300	-
488	-	-	566	-	-	189	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
315	-	-	26	-	-	282	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
803	-	-	592	-	-	6,771	-
(67)	-	-	1,649	100	-	(6,592)	-
7,921	272	936	39,351	980	-	6,169	539
\$ 7,854	\$ 272	\$ 936	\$ 41,000	\$ 1,080	\$ -	\$ (423)	\$ 539

(Continued)

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Changes in Net Worth
For the Year Ended December 31, 2007

	Cassube	Cheboyganning Creek Sag Bay	Chip Road	Clark	Coggins, Green, Poirer
Revenues					
Special assessment revenue	\$ -	\$ -	\$ 2,625	\$ -	\$ -
Contributions from other governmental units	-	-	-	-	-
Permits	-	-	-	-	-
Rent	-	-	-	-	-
Interest earned on deposits	-	1	5	-	34
Interest earned on investments	-	64	-	-	1,861
Note proceeds	-	-	-	-	-
Reimbursements, refunds, and other revenues	-	-	350	-	-
Transfers in	-	-	3,183	-	-
Total revenue	-	65	6,163	-	1,895
Expenditures					
Contractual services	4,975	-	-	-	-
Equipment rental	138	-	-	-	-
Insurance and bonds	-	-	-	-	-
Legal fees	-	-	-	-	-
Professional services	-	-	-	-	-
Legal notices	-	-	-	-	-
Repairs and maintenance	-	-	-	-	-
Reimbursements	271	-	-	-	-
Public utilities	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Capital outlay	-	-	-	-	-
Transfers out	-	-	-	-	-
Total expenditures	5,384	-	-	-	-
Total revenue over (under) expenditures	(5,384)	65	6,163	-	1,895
Net worth, beginning of year	-	1,164	(8,330)	427	33,991
Net worth, end of year	\$ (5,384)	\$ 1,229	\$ (2,167)	\$ 427	\$ 35,886

Cole	Col. Salz, Wen. Kes & Br.	Constant DuRussell	Cooper	Countegan	Crump	Culver Creek	Dredge Cut 1921
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	100	-
-	-	-	-	-	-	-	-
1	1	20	-	34	41	23	18
40	-	-	-	85	2,452	933	508
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	1,276	-	-	2,084	-	-	-
41	1,277	20	-	2,203	2,493	1,056	526
-	1,995	-	-	-	-	-	-
-	1,143	-	-	28	-	336	-
-	827	-	-	-	-	-	-
1,085	-	-	-	-	-	-	-
-	-	-	-	-	-	352	-
-	-	-	-	-	-	-	-
-	-	-	-	8,266	-	-	-
-	2,571	-	-	52	-	413	-
-	1,238	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,085	7,774	-	-	8,346	-	1,101	-
(1,044)	(6,497)	20	-	(6,143)	2,493	(45)	526
1,409	(7,928)	858	100	6,143	44,745	17,006	9,492
\$ 365	\$ (14,425)	\$ 878	\$ 100	\$ -	\$ 47,238	\$ 16,961	\$ 10,018

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Changes in Net Worth
For the Year Ended December 31, 2007

	Davis	DeClerk	Dell Creek & Brs.	Dell Creek & Brs. #5
Revenues				
Special assessment revenue	\$ -	\$ -	\$ -	\$ -
Contributions from other governmental units	-	-	-	-
Permits	-	-	-	-
Rent	-	-	-	-
Interest earned on deposits	9	-	70	-
Interest earned on investments	718	-	390	-
Note proceeds	-	-	-	-
Reimbursements, refunds, and other revenues	-	-	1,010	-
Transfers in	-	-	267,189	-
Total revenue	727	-	268,659	-
Expenditures				
Contractual services	-	-	-	-
Equipment rental	-	-	-	-
Insurance and bonds	-	-	-	-
Legal fees	-	-	-	-
Professional services	-	-	-	-
Legal notices	-	-	-	-
Repairs and maintenance	-	-	-	-
Reimbursements	-	-	-	-
Public utilities	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
Transfers out	-	-	-	-
Total expenditures	-	-	-	-
Total revenue over (under) expenditures	727	-	268,659	-
Net worth, beginning of year	13,082	100	(240,196)	50
Net worth, end of year	\$ 13,809	\$ 100	\$ 28,463	\$ 50

Denton Dr.		DeShano		Dewyse		Diehl		Dingman		Douglas		Dubay	
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
	-		-		-		-		-		-		-
	-		-		-		100		-		-		-
	-		-		-		-		-		-		-
	1		7		28		3		24		12		55
	223		247		1,663		-		99		50		1,000
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	224		254		1,691		103		123		62		1,055
	-		3,115		3,274		-		-		17,359		-
	-		-		28		-		-		143		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	-		-		-		-		-		896		-
	-		26		51		-		-		252		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	-		3,141		3,353		-		-		18,650		-
	224		(2,887)		(1,662)		103		123		(18,588)		1,055
	4,038		5,968		33,506		100		2,236		2,428		19,009
\$	4,262	\$	3,081	\$	31,844	\$	203	\$	2,359	\$	(16,160)	\$	20,064

(Continued)

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Changes in Net Worth
For the Year Ended December 31, 2007

	Erickson	Fanger	Fisher	Fitzhugh Dr
Revenues				
Special assessment revenue	\$ -	\$ -	\$ -	\$ -
Contributions from other governmental units	-	-	-	-
Permits	-	-	-	-
Rent	-	-	-	-
Interest earned on deposits	57	19	21	4
Interest earned on investments	2,457	1,609	-	-
Note proceeds	-	-	-	-
Reimbursements, refunds, and other revenues	-	-	-	-
Transfers in	-	-	-	-
Total revenue	2,514	1,628	21	4
Expenditures				
Contractual services	-	-	-	10,401
Equipment rental	-	-	-	190
Insurance and bonds	-	-	-	-
Legal fees	-	-	-	-
Professional services	-	-	-	-
Legal notices	-	-	-	-
Repairs and maintenance	-	-	-	-
Reimbursements	-	-	-	260
Public utilities	-	-	-	-
Miscellaneous	-	-	-	8
Capital outlay	-	-	-	-
Transfers out	-	-	-	-
Total expenditures	-	-	-	10,859
Total revenue over (under) expenditures	2,514	1,628	21	(10,855)
Net worth, beginning of year	45,096	29,205	825	369
Net worth, end of year	\$ 47,610	\$ 30,833	\$ 846	\$ (10,486)

Forester	Fraser-Garfield	Garvey	German Rd	Gibson	Goetz	Goulet
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	400	-	-	-	-	-
-	-	-	-	-	-	-
32	15	-	21	5	2	-
-	-	-	1,322	13	26	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
32	415	-	1,343	18	28	-
-	-	-	-	-	-	-
-	-	-	266	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	17	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	8,561	-	-
-	-	-	531	-	-	-
-	-	-	-	-	-	-
-	-	-	-	12	4	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	797	8,573	21	-
32	415	-	546	(8,555)	7	-
1,186	(3,386)	532	24,464	8,250	(860)	707
\$ 1,218	\$ (2,971)	\$ 532	\$ 25,010	\$ (305)	\$ (853)	\$ 707

(Continued)

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Changes in Net Worth
For the Year Ended December 31, 2007

	Graham	Gregory	Gunther	Hadd
Revenues				
Special assessment revenue	\$ -	\$ -	\$ -	\$ 2,684
Contributions from other governmental units	-	-	-	784
Permits	100	-	-	-
Rent	-	-	-	-
Interest earned on deposits	24	-	-	35
Interest earned on investments	100	-	-	332
Note proceeds	-	-	-	-
Reimbursements, refunds, and other revenues	-	-	-	270
Transfers in	-	-	-	-
Total revenue	224	-	-	4,105
Expenditures				
Contractual services	-	-	-	-
Equipment rental	-	-	-	900
Insurance and bonds	-	-	-	660
Legal fees	-	-	-	-
Professional services	-	-	-	-
Legal notices	-	-	-	-
Repairs and maintenance	-	-	-	-
Reimbursements	-	-	-	2,028
Public utilities	-	-	-	323
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
Transfers out	-	-	-	-
Total expenditures	-	-	-	3,911
Total revenue over (under) expenditures	224	-	-	194
Net worth, beginning of year	2,171	100	282	4,811
Net worth, end of year	\$ 2,395	\$ 100	\$ 282	\$ 5,005

Halstead	Hayward	Hearit	Helmuth	Hembling- Main	Hildebrandt- Anderson	Histead
\$ -	\$ -	\$ -	\$ 1,750	\$ -	\$ -	\$ -
-	-	-	375	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
10	2	-	14	57	66	47
828	-	-	-	4,542	2,454	244
-	-	-	-	-	-	-
-	-	-	375	-	-	-
-	1,841	-	-	-	1,398	-
838	1,843	-	2,514	4,599	3,918	291
-	-	-	-	-	-	-
57	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
130	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
187	-	-	-	-	-	-
651	1,843	-	2,514	4,599	3,918	291
15,190	(1,843)	200	(5,006)	82,403	48,711	5,330
\$ 15,841	\$ -	\$ 200	\$ (2,492)	\$ 87,002	\$ 52,629	\$ 5,621

(Continued)

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Changes in Net Worth
For the Year Ended December 31, 2007

	Hoppler Crk	Hudson	Indiantown	Johnson	Kaiser
Revenues					
Special assessment revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions from other governmental units	-	-	-	-	-
Permits	-	300	-	-	-
Rent	-	-	-	-	-
Interest earned on deposits	83	29	13	32	2
Interest earned on investments	3	883	-	1,386	179
Note proceeds	-	-	-	-	-
Reimbursements, refunds, and other revenues	309	-	-	-	-
Transfers in	-	-	-	-	-
Total revenue	395	1,212	13	1,418	181
Expenditures					
Contractual services	-	-	-	-	-
Equipment rental	123	-	-	80	-
Insurance and bonds	-	-	-	-	-
Legal fees	-	-	-	-	-
Professional services	-	-	-	-	-
Legal notices	-	-	-	-	-
Repairs and maintenance	900	-	250	-	-
Reimbursements	186	-	-	78	-
Public utilities	-	-	-	-	-
Miscellaneous	87	-	-	-	-
Capital outlay	-	-	-	-	-
Transfers out	-	-	-	-	-
Total expenditures	1,296	-	250	158	-
Total revenue over (under) expenditures	(901)	1,212	(237)	1,260	181
Net worth, beginning of year	(10,931)	16,085	452	25,502	3,256
Net worth, end of year	\$ (11,832)	\$ 17,297	\$ 215	\$ 26,762	\$ 3,437

Kannell		Kesemeier		Kaweck		Keck		Kerr		Kindell & Bros		Kinney	
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
	-		-		-		-		-		-		-
	-		100		-		-		-		100		-
	-		-		-		-		-		-		-
	-		3		-		31		14		71		26
	-		-		-		960		167		1,839		123
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
-		103		-		991		181		2,010		149	
	-		-		-		23,853		-		-		-
	-		-		-		1,737		-		-		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	-		-		-		899		-		-		-
	-		-		-		1,478		-		-		-
	-		-		-		-		-		-		-
	-		-		-		6		-		-		-
	-		-		-		-		-		-		-
	-		1,276		-		-		-		-		-
-		1,276		-		27,973		-		-		-	
-		(1,173)		-		(26,982)		181		2,010		149	
(318)		1,173		609		31,294		3,288		34,205		2,707	
\$	(318)	\$	-	\$	609	\$	4,312	\$	3,469	\$	36,215	\$	2,856

(Continued)

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Changes in Net Worth
For the Year Ended December 31, 2007

	Kochville-				
	Klauss	Frank	Kolb	Kossick	Kowalski
Revenues					
Special assessment revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions from other governmental units	-	-	-	-	-
Permits	-	-	-	-	-
Rent	-	-	-	-	-
Interest earned on deposits	-	61	-	-	-
Interest earned on investments	-	3,231	-	-	-
Note proceeds	-	-	-	-	-
Reimbursements, refunds, and other revenues	-	-	-	-	-
Transfers in	-	-	1,074	-	-
Total revenue	-	3,292	1,074	-	-
Expenditures					
Contractual services	-	-	-	-	-
Equipment rental	-	-	138	-	-
Insurance and bonds	-	-	-	-	-
Legal fees	-	-	-	-	-
Professional services	-	-	-	-	-
Legal notices	-	-	-	-	-
Repairs and maintenance	-	-	-	-	-
Reimbursements	-	-	-	-	-
Public utilities	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Capital outlay	-	-	-	-	-
Transfers out	-	-	-	-	-
Total expenditures	-	-	138	-	-
Total revenue over (under) expenditures	-	3,292	936	-	-
Net worth, beginning of year	976	58,896	(990)	100	535
Net worth, end of year	\$ 976	\$ 62,188	\$ (54)	\$ 100	\$ 535

Krainer		Krzyzaniak		Lambert		Lapan		Lee Davis		Legness		Lesp. Rezler Taylor	
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
	300		-		-		-		-		-		-
	57		-		-		-		-		-		-
	-		-		-		-		-		-		-
	-		-		48		-		5		20		-
	-		-		1,781		-		-		-		-
	-		-		-		-		-		-		-
	300		-		-		-		-		-		-
	-		-		-		-		-		-		-
	657		-		1,829		-		5		20		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		175
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	43		-		-		-		-		-		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		153
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	43		-		-		-		-		-		328
	614		-		1,829		-		5		20		(328)
	(2,523)		77		32,823		198		405		558		694
\$	(1,909)	\$	77	\$	34,652	\$	198	\$	410	\$	578	\$	366

(Continued)

**Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Changes in Net Worth
For the Year Ended December 31, 2007**

	Lincoln	Link	Livingston	Lobodzinski	MacArthur (Sag Bay/Merritt)
Revenues					
Special assessment revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions from other governmental units	-	-	-	-	-
Permits	-	100	-	-	-
Rent	-	-	-	-	-
Interest earned on deposits	-	11	13	-	-
Interest earned on investments	-	131	1,095	-	-
Note proceeds	-	-	-	-	-
Reimbursements, refunds, and other revenues	-	-	-	-	-
Transfers in	-	-	-	-	-
Total revenue	-	242	1,108	-	-
Expenditures					
Contractual services	-	-	-	-	-
Equipment rental	-	-	-	-	39
Insurance and bonds	-	-	-	-	-
Legal fees	-	-	-	-	-
Professional services	-	-	-	-	-
Legal notices	-	-	-	-	-
Repairs and maintenance	-	-	-	-	-
Reimbursements	-	-	-	-	52
Public utilities	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Capital outlay	-	-	-	-	-
Transfers out	-	-	-	-	-
Total expenditures	-	-	-	-	91
Total revenue over (under) expenditures	-	242	1,108	-	(91)
Net worth, beginning of year	329	2,489	19,880	202	(5,440)
Net worth, end of year	\$ 329	\$ 2,731	\$ 20,988	\$ 202	\$ (5,531)

McDonald	McArthur (Williams)	Mason	Mayville	Meddaugh	Merritt	Meyer
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	100	-
-	-	-	-	-	-	-
19	28	5	42	4	3	-
1,063	236	402	1,527	335	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,082	264	407	1,569	339	103	-
-	-	-	-	-	-	-
36	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
78	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
114	-	-	-	-	-	-
968	264	407	1,569	339	103	-
19,320	4,660	7,283	28,338	6,066	278	98
\$ 20,288	\$ 4,924	\$ 7,690	\$ 29,907	\$ 6,405	\$ 381	\$ 98

(Continued)

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Changes in Net Worth
For the Year Ended December 31, 2007

	Michalski	Mill Pond	Mill Pond #4	Monsion
Revenues				
Special assessment revenue	\$ -	\$ -	\$ -	\$ -
Contributions from other governmental units	-	-	-	-
Permits	-	-	-	-
Rent	-	-	-	-
Interest earned on deposits	11	7	-	-
Interest earned on investments	136	264	-	-
Note proceeds	-	-	-	-
Reimbursements, refunds, and other revenues	-	-	-	-
Transfers in	-	-	-	-
Total revenue	147	271	-	-
Expenditures				
Contractual services	-	-	-	-
Equipment rental	-	333	-	-
Insurance and bonds	-	-	-	-
Legal fees	-	-	-	-
Professional services	-	-	-	-
Legal notices	-	-	-	-
Repairs and maintenance	-	-	-	-
Reimbursements	-	621	-	-
Public utilities	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
Transfers out	-	-	-	-
Total expenditures	-	954	-	-
Total revenue over (under) expenditures	147	(683)	-	-
Net worth, beginning of year	2,643	1,972	188	678
Net worth, end of year	\$ 2,790	\$ 1,289	\$ 188	\$ 678

Moore	Muldoon Ditch	Munger Road	Nearing & Dean	North Br Dr	Oakwood	Old Townline
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,079	\$ -
-	-	-	-	-	754	-
-	-	100	-	-	-	-
-	-	-	-	-	-	-
-	-	39	1	10	52	11
-	-	1,727	112	918	567	782
-	-	-	-	-	-	-
-	-	-	-	-	167	-
-	-	-	-	-	-	-
-	-	1,866	113	928	5,619	793
-	-	-	-	-	-	-
-	-	195	-	-	876	135
-	-	-	-	-	660	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	130	-	-	2,001	154
-	-	-	-	-	166	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	325	-	-	3,703	289
-	-	1,541	113	928	1,916	504
606	200	31,827	1,996	16,569	8,147	14,258
\$ 606	\$ 200	\$ 33,368	\$ 2,109	\$ 17,497	\$ 10,063	\$ 14,762

(Continued)

**Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Changes in Net Worth
For the Year Ended December 31, 2007**

	Ott	O'Keefe	Panzer	Penkala
Revenues				
Special assessment revenue	\$ -	\$ -	\$ -	\$ -
Contributions from other governmental units	239	-	-	-
Permits	-	400	-	-
Rent	-	-	-	-
Interest earned on deposits	33	25	1	-
Interest earned on investments	-	-	89	-
Note proceeds	-	-	-	-
Reimbursements, refunds, and other revenues	239	-	-	-
Transfers in	-	-	-	-
Total revenue	511	425	90	-
Expenditures				
Contractual services	-	-	-	-
Equipment rental	-	-	-	-
Insurance and bonds	-	-	-	-
Legal fees	-	-	-	-
Professional services	-	-	-	-
Legal notices	-	-	-	-
Repairs and maintenance	-	-	-	-
Reimbursements	-	-	-	-
Public utilities	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
Transfers out	-	-	-	-
Total expenditures	-	-	-	-
Total revenue over (under) expenditures	511	425	90	-
Net worth, beginning of year	203	1,061	1,593	216
Net worth, end of year	\$ 714	\$ 1,486	\$ 1,683	\$ 216

Perry Creek	Phillips	Pine	Plant Road	Popp	Prast	Railroad Dr
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,590
-	-	-	-	-	-	3,195
300	-	-	-	-	-	-
-	-	-	-	-	-	-
37	7	-	30	54	22	57
481	193	-	2,190	2,934	1,172	1,633
-	-	-	-	-	-	-
-	-	-	-	-	-	2,125
-	-	-	-	-	-	-
818	200	-	2,220	2,988	1,194	26,600
-	4,990	-	-	-	-	37,785
-	1,015	-	351	-	-	1,245
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	39
-	-	-	-	-	-	2,589
-	1,315	-	141	-	-	1,934
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	3,183	-	-
-	7,320	-	492	3,183	-	43,592
818	(7,120)	-	1,728	(195)	1,194	(16,992)
9,192	5,409	962	39,902	56,319	21,535	19,454
\$ 10,010	\$ (1,711)	\$ 962	\$ 41,630	\$ 56,124	\$ 22,729	\$ 2,462

(Continued)

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Changes in Net Worth
For the Year Ended December 31, 2007

	Raska	Rathke	Rattell	Redy
Revenues				
Special assessment revenue	\$ -	\$ -	\$ -	\$ -
Contributions from other governmental units	-	-	-	-
Permits	-	-	-	-
Rent	-	-	-	-
Interest earned on deposits	-	-	3	-
Interest earned on investments	-	-	242	-
Note proceeds	-	-	-	-
Reimbursements, refunds, and other revenues	-	-	-	-
Transfers in	-	-	-	-
Total revenue	-	-	245	-
Expenditures				
Contractual services	-	-	-	-
Equipment rental	-	-	-	-
Insurance and bonds	-	-	-	-
Legal fees	-	-	-	-
Professional services	-	-	-	-
Legal notices	-	-	-	-
Repairs and maintenance	-	-	-	-
Reimbursements	-	-	-	-
Public utilities	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
Transfers out	-	-	-	-
Total expenditures	-	-	-	-
Total revenue over (under) expenditures	-	-	245	-
Net worth, beginning of year	109	579	4,386	127
Net worth, end of year	\$ 109	\$ 579	\$ 4,631	\$ 127

Reichard	Reinhart	Renner	Ripley	Robbins	Rosebush	Rouche
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	100	-
-	-	-	-	-	-	-
6	-	-	3	6	35	7
33	-	-	263	498	2,090	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
39	-	-	266	504	2,225	7
3,200	-	-	-	-	850	-
77	-	-	-	-	188	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
53	-	-	-	-	-	-
104	-	-	-	-	155	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
3,434	-	-	-	-	1,193	-
(3,395)	-	-	266	504	1,032	7
1,059	705	(11)	4,765	9,026	38,958	633
\$ (2,336)	\$ 705	\$ (11)	\$ 5,031	\$ 9,530	\$ 39,990	\$ 640

(Continued)

**Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Changes in Net Worth
For the Year Ended December 31, 2007**

	Schumacker-					
	Russell Rd	Schoof	Schroeder	Ellison	Secord	Seebeck
Revenues						
Special assessment revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,875
Contributions from other governmental units	-	-	-	-	-	375
Permits	-	-	-	-	-	-
Rent	-	-	-	-	-	-
Interest earned on deposits	3	34	30	28	4	1
Interest earned on investments	105	360	-	181	(47)	1
Note proceeds	-	-	-	-	-	-
Reimbursements, refunds, and other revenues	-	-	-	-	-	250
Transfers in	-	-	1,654	-	-	-
Total revenue	108	394	1,684	209	(43)	2,502
Expenditures						
Contractual services	-	-	-	-	-	-
Equipment rental	-	-	392	-	138	-
Insurance and bonds	-	-	-	-	-	-
Legal fees	-	-	-	-	-	-
Professional services	-	-	-	-	-	-
Legal notices	-	-	-	-	-	-
Repairs and maintenance	-	-	-	-	-	-
Reimbursements	-	-	207	-	184	-
Public utilities	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total expenditures	-	-	599	-	322	-
Total revenue over (under) expenditures	108	394	1,085	209	(365)	2,502
Net worth, beginning of year	1,911	7,105	(263)	3,791	436	(5,921)
Net worth, end of year	\$ 2,019	\$ 7,499	\$ 822	\$ 4,000	\$ 71	\$ (3,419)

Selle	Selleck & Brs.	Shinbines	Shue	Stieve	Stone	Tap-Grove	Tebo-Erickson
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	28	18	-	18	9	17	18
-	83	127	-	39	82	90	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	2,492	1	-	-
-	111	145	-	2,549	92	107	18
-	-	-	-	-	-	-	-
-	-	-	-	459	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	205	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	6	-	-	-
-	-	-	-	670	-	-	-
-	111	145	-	1,879	92	107	18
638	2,035	3,084	251	(595)	(1)	1,933	750
\$ 638	\$ 2,146	\$ 3,229	\$ 251	\$ 1,284	\$ 91	\$ 2,040	\$ 768

(Continued)

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Changes in Net Worth
For the Year Ended December 31, 2007

	Tennant		Tobico	Trieber	Trombley Main
Revenues					
Special assessment revenue	\$	-	\$ 1,398	\$ -	\$ -
Contributions from other governmental units		-	207	-	-
Permits		-	-	-	-
Rent		-	-	-	-
Interest earned on deposits		10	14	19	52
Interest earned on investments		-	-	579	4,074
Note proceeds		-	-	-	-
Reimbursements, refunds, and other revenues		-	44	-	-
Transfers in		-	-	-	-
Total revenue		10	1,663	598	4,126
Expenditures					
Contractual services		-	-	-	-
Equipment rental		-	-	51	603
Insurance and bonds		-	-	-	-
Legal fees		-	-	-	-
Professional services		-	-	-	-
Legal notices		-	-	-	-
Repairs and maintenance		-	-	-	2,670
Reimbursements		-	-	104	379
Public utilities		-	-	-	-
Miscellaneous		-	-	-	-
Capital outlay		-	-	-	-
Transfers out		-	-	3,925	-
Total expenditures		-	-	4,080	3,652
Total revenue over (under) expenditures		10	1,663	(3,482)	474
Net worth, beginning of year		415	(1,325)	12,562	76,980
Net worth, end of year	\$	425	\$ 338	\$ 9,080	\$ 77,454

Uhlman		Uhlman Branch		VanDeVyvere		Vennard		Vogtman		Waldo		Walk	
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
	-		-		-		-		-		-		-
	-		-		-		-		-		100		-
	-		-		-		-		-		-		-
	35		2		24		33		3		23		-
	2,500		108		133		79		229		584		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	2,535		110		157		112		232		707		-
	-		-		-		-		-		-		-
	-		-		-		65		-		-		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	-		-		-		52		-		-		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	-		-		-		-		-		-		-
	-		-		-		1,938		-		-		-
	-		-		-		2,055		-		-		-
	2,535		110		157		(1,943)		232		707		-
	45,592		1,961		2,856		3,991		4,162		10,843		100
\$	48,127	\$	2,071	\$	3,013	\$	2,048	\$	4,394	\$	11,550	\$	100

(Continued)

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Changes in Net Worth
For the Year Ended December 31, 2007

	Warmbier	Webster Merritt	Webster Williams	Wecker
Revenues				
Special assessment revenue	\$ -	\$ -	\$ -	\$ -
Contributions from other governmental units	-	-	-	-
Permits	-	100	-	-
Rent	-	-	-	-
Interest earned on deposits	1	12	-	16
Interest earned on investments	123	-	-	499
Note proceeds	-	-	-	-
Reimbursements, refunds, and other revenues	-	-	-	-
Transfers in	-	-	-	-
Total revenue	124	112	-	515
Expenditures				
Contractual services	-	-	-	-
Equipment rental	-	-	-	-
Insurance and bonds	-	-	-	-
Legal fees	-	-	-	-
Professional services	-	-	-	-
Legal notices	-	-	-	-
Repairs and maintenance	-	-	-	-
Reimbursements	-	-	-	-
Public utilities	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
Transfers out	-	-	-	-
Total expenditures	-	-	-	-
Total revenue over (under) expenditures	124	112	-	515
Net worth, beginning of year	2,234	609	50	9,245
Net worth, end of year	\$ 2,358	\$ 721	\$ 50	\$ 9,760

Wegener		Weiss Meade	Wenglikowski	West Branch	West Branch #1	West Branch #2	Wetter
\$	-	\$	-	\$	-	\$	-
	-		-		-		-
	-	100	-		-		-
	-		-		-		-
	5	90	-	55	4	2	15
	336	4,228	-	1,652	370	210	154
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	11	-	-	-	-	-
	341	4,429	-	1,707	374	212	169
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	177	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	177	-	-	-
	341	4,429	-	1,530	374	212	169
	6,099	77,702	370	30,677	6,704	3,804	3,072
\$	6,440	\$	82,131	\$	32,207	\$	7,078
			370				4,016
							3,241

**Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Changes in Net Worth
For the Year Ended December 31, 2007**

	White	WhiteFeather Wilson	WhiteFeather Br. 1	WhiteFeather Br. 2	WhiteFeather
Revenues					
Special assessment revenue	\$ -	\$ -	\$ -	\$ -	\$ 25,686
Contributions from other governmental units	-	-	-	-	1,575
Permits	-	-	-	-	-
Rent	-	-	-	-	-
Interest earned on deposits	1	-	-	-	33
Interest earned on investments	80	-	-	-	1,173
Note proceeds	-	-	-	-	-
Reimbursements, refunds, and other revenues	-	-	-	-	2,400
Transfers in	-	-	-	-	-
Total revenue	81	-	-	-	30,867
Expenditures					
Contractual services	-	-	-	-	-
Equipment rental	-	-	-	-	-
Insurance and bonds	-	-	-	-	-
Legal fees	-	-	-	-	-
Professional services	-	-	-	-	-
Legal notices	-	-	-	-	-
Repairs and maintenance	-	-	-	-	-
Reimbursements	-	-	-	-	-
Public utilities	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Capital outlay	-	-	-	-	-
Transfers out	-	-	-	-	364
Total expenditures	-	-	-	-	364
Total revenue over (under) expenditures	81	-	-	-	30,503
Net worth, beginning of year	1,457	20	304	632	(6,385)
Net worth, end of year	\$ 1,538	\$ 20	\$ 304	\$ 632	\$ 24,118

Wilcox	Williard	Wilson	WhiteFeather Br. 3	Withbrodt	Wolverine	Youngs Ditch	Ziegler
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	5,420
-	-	-	-	-	-	-	1,043
100	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	5	1	3	-	16	29
-	-	-	-	12	-	824	32
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	537
-	-	-	364	-	-	-	-
100	-	5	365	15	-	840	7,061
-	-	-	-	5,400	2,475	-	5,154
-	-	-	-	-	156	-	1,604
-	-	-	-	-	-	-	660
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	149	-	2,980
-	-	-	-	-	-	-	1,147
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	5,400	2,780	-	11,545
100	-	5	365	(5,385)	(2,780)	840	(4,484)
(64,523)	24	100	(365)	4,135	-	15,200	2,552
\$ (64,423)	\$ 24	\$ 105	\$ -	\$ (1,250)	\$ (2,780)	\$ 16,040	\$ (1,932)

**Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Changes in Net Worth
For the Year Ended December 31, 2007**

	Zimmerman	Baxman	Bis	Dingman #3	Erickson Branch 1&2
Revenues					
Special assessment revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions from other governmental units	-	-	-	-	-
Permits	-	100	-	-	-
Rent	-	-	-	-	-
Interest earned on deposits	-	29	-	2	36
Interest earned on investments	-	2,062	-	183	1,603
Note proceeds	-	-	-	-	-
Reimbursements, refunds, and other revenues	-	-	-	-	-
Transfers in	-	6,075	-	-	-
Total revenue	-	8,266	-	185	1,639
Expenditures					
Contractual services	-	-	-	-	-
Equipment rental	-	511	-	-	-
Insurance and bonds	-	-	-	-	-
Legal fees	-	-	-	-	-
Professional services	-	-	-	-	-
Legal notices	-	-	-	-	-
Repairs and maintenance	-	14	-	-	-
Reimbursements	-	348	-	-	-
Public utilities	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Capital outlay	-	-	-	-	-
Transfers out	-	-	-	-	-
Total expenditures	-	873	-	-	-
Total revenue over (under) expenditures	-	7,393	-	185	1,639
Net worth, beginning of year	100	30,791	914	3,314	29,405
Net worth, end of year	<u>\$ 100</u>	<u>\$ 38,184</u>	<u>\$ 914</u>	<u>\$ 3,499</u>	<u>\$ 31,044</u>

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Changes in Net Worth
For the Year Ended December 31, 2007

	Pinconning So Branch	Selleck Br. #2	Tebo Upper	Trombely Br. #1	Tebo Main
Revenues					
Special assessment revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions from other governmental units	-	-	-	-	-
Permits	-	-	-	-	-
Rent	-	-	-	-	-
Interest earned on deposits	16	2	59	-	-
Interest earned on investments	298	166	2,417	-	-
Note proceeds	-	-	-	-	-
Reimbursements, refunds, and other revenues	-	-	-	-	-
Transfers in	-	-	-	-	-
Total revenue	314	168	2,476	-	-
Expenditures					
Contractual services	-	-	-	-	-
Equipment rental	-	-	-	-	-
Insurance and bonds	-	-	-	-	-
Legal fees	-	-	-	-	-
Professional services	-	-	-	-	-
Legal notices	-	-	-	-	-
Repairs and maintenance	-	-	-	-	-
Reimbursements	-	-	-	-	-
Public utilities	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Capital outlay	-	-	-	-	-
Transfers out	-	-	-	-	-
Total expenditures	-	-	-	-	-
Total revenue over (under) expenditures	314	168	2,476	-	-
Net worth, beginning of year	5,653	3,002	44,429	497	300
Net worth, end of year	\$ 5,967	\$ 3,170	\$ 46,905	\$ 497	\$ 300

Weiss Br of Weiss Rd		Fraser- Garfield #3		Kerr,Jammer, Szymanski		Stephan & Bros		Quanicassee River I.C.		Pinconning River	
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
	-		-		-		-		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
	17		-		11		3		2		-
	439		-		163		250		144		-
	-		-		-		-		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
	456		-		174		253		146		-
	-		-		-		-		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
	456		-		174		253		146		-
	8,171		405		3,280		4,363		2,610		412
\$	8,627	\$	405	\$	3,454	\$	4,616	\$	2,756	\$	412

(Continued)

**Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Changes in Net Worth
For the Year Ended December 31, 2007**

	Kawkawlin River	Saginaw- Midland	Saganing River	Bis Extension
Revenues				
Special assessment revenue	\$ -	\$ -	\$ -	\$ -
Contributions from other governmental units	-	-	-	-
Permits	-	-	-	-
Rent	-	-	-	-
Interest earned on deposits	12	-	-	-
Interest earned on investments	83	-	-	-
Note proceeds	-	-	-	-
Reimbursements, refunds, and other revenues	-	-	-	-
Transfers in	-	-	-	18,077
Total revenue	95	-	-	18,077
Expenditures				
Contractual services	-	-	-	-
Equipment rental	-	-	-	-
Insurance and bonds	-	-	-	-
Legal fees	-	-	-	-
Professional services	-	-	-	-
Legal notices	-	-	-	-
Repairs and maintenance	-	-	-	-
Reimbursements	-	-	-	-
Public utilities	-	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	-
Transfers out	-	-	-	-
Total expenditures	-	-	-	-
Total revenue over (under) expenditures	95	-	-	18,077
Net worth, beginning of year	1,708	2	100	(18,077)
Net worth, end of year	\$ 1,803	\$ 2	\$ 100	\$ -

Squaconning Creek	Betzold #1,9,10	Saginaw Bay Site Review	Drain Equipment	Drain Maintenance	Drain Admin Account	Myra Lee Midland Fraser FEMA
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	8,450	-	-	-
-	21	-	96	50	13	-
-	1,795	-	1,923	2,860	8,369	-
-	-	-	-	-	-	-
-	-	-	-	-	7,350	-
-	-	-	-	-	20,802	-
-	1,816	-	10,469	2,910	36,534	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	3,500	-
-	-	-	-	-	-	-
-	-	-	552	-	1,961	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	302	-	12,795	-
-	-	-	-	-	10,749	-
-	-	-	-	-	-	-
-	-	-	854	-	29,005	-
-	1,816	-	9,615	2,910	7,529	-
150	32,580	-	35,269	23,258	162,453	1,204
\$ 150	\$ 34,396	\$ -	\$ 44,884	\$ 26,168	\$ 169,982	\$ 1,204

(Continued)

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Changes in Net Worth
For the Year Ended December 31, 2007

	Garfield Sub		Construction Accounts		
	Mitigation	Myra Lee/		German	Popp
	FEMA	Kindell	Baxman	Road	Drain
Revenues					
Special assessment revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions from other governmental units	-	-	-	-	-
Permits	-	-	-	-	-
Rent	-	-	-	-	-
Interest earned on deposits	-	-	-	-	-
Interest earned on investments	-	-	27	-	-
Note proceeds	-	-	-	-	-
Reimbursements, refunds, and other revenues	-	-	-	-	-
Transfers in	81,272	-	-	-	-
Total revenue	81,272	-	27	-	-
Expenditures					
Contractual services	-	-	-	-	-
Equipment rental	-	-	-	-	-
Insurance and bonds	-	-	-	-	-
Legal fees	-	-	-	-	-
Professional services	-	-	-	-	-
Legal notices	-	-	-	-	-
Repairs and maintenance	-	-	-	-	-
Reimbursements	-	-	-	-	-
Public utilities	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Capital outlay	-	-	-	-	-
Transfers out	-	-	6,075	-	-
Total expenditures	-	-	6,075	-	-
Total revenue over (under) expenditures	81,272	-	(6,048)	-	-
Net worth, beginning of year	(81,350)	-	6,048	-	-
Net worth, end of year	\$ (78)	\$ -	\$ -	\$ -	\$ -

Construction Accounts															
Hildebrandt Anderson		Plant Road Drain		Mayville Drain		Histed Drain		Treiber Drain		Goss Drain		Goetz IC Drain		Weiss Meed Drain	
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
	-		-		-		-		-		-		-		-
	-		-		-		-		-		-		-		-
	-		-		-		-		-		-		-		-
	-		-		-		-		-		-		-		-
	33		-		-		-		-		-		-		-
	-		-		-		-		-		-		-		-
	-		-		-		-		-		-		-		-
	-		-		-		-		-		-		-		-
33		-		-		-		-		-		-		-	
-		-		-		-		-		-		-		-	
-		-		-		-		-		-		-		-	
-		-		-		-		-		-		-		-	
-		-		-		-		-		-		-		-	
-		-		-		-		-		-		-		-	
-		-		-		-		-		-		-		-	
-		-		-		-		-		-		-		-	
-		-		-		-		-		-		-		-	
1,395		-		-		-		-		-		-		-	
1,395		-		-		-		-		-		-		-	
(1,362)		-		-		-		-		-		-		-	
1,362		-		-		-		-		-		-		-	
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-

(Continued)

Bay County Drain Commission
Drain (801) Capital Projects Fund -
Individual Drainage Districts
Schedule of Changes in Net Worth
For the Year Ended December 31, 2007

	Construction Accounts				
	Arnold Drain	Batko Drain	McDonald Drain	Munger Road	Rosebush Drain
Revenues					
Special assessment revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions from other governmental units	-	-	-	-	-
Permits	-	-	-	-	-
Rent	-	-	-	-	-
Interest earned on deposits	-	-	-	-	-
Interest earned on investments	-	-	-	-	-
Note proceeds	-	-	-	-	-
Reimbursements, refunds, and other revenues	-	-	-	-	-
Transfers in	-	-	-	-	-
Total revenue	-	-	-	-	-
Expenditures					
Contractual services	-	-	-	-	-
Equipment rental	-	-	-	-	-
Insurance and bonds	-	-	-	-	-
Legal fees	-	-	-	-	-
Professional services	-	-	-	-	-
Legal notices	-	-	-	-	-
Repairs and maintenance	-	-	-	-	-
Reimbursements	-	-	-	-	-
Public utilities	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Capital outlay	-	-	-	-	-
Transfers out	-	-	-	-	-
Total expenditures	-	-	-	-	-
Total revenue over (under) expenditures	-	-	-	-	-
Net worth, beginning of year	-	-	-	-	-
Net worth, end of year	\$ -	\$ -	\$ -	\$ -	\$ -

Construction Accounts							
Vennard Drain	Schroeder Drain	Kolb Drain	Stieve Drain	Shinbine Drain	Bis Drain	Dell Creek Drain	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,107
-	-	-	-	-	-	-	9,147
-	-	-	-	-	-	-	3,257
-	-	-	-	-	-	-	8,450
-	1	57	135	13	179	35	3,612
-	-	83	40	376	435	815	109,272
-	-	35,000	19,212	23,141	120,000	586,229	783,582
-	-	-	-	-	20,000	-	36,026
438	-	7,846	-	-	-	-	417,077
438	1	42,986	19,387	23,530	140,614	587,079	1,435,530
-	-	29,465	11,984	17,350	70,543	-	262,268
-	-	1,407	591	75	-	-	18,098
-	-	-	-	-	-	-	2,807
-	-	-	-	-	218	3,350	4,670
-	-	-	-	-	27,901	10,176	41,929
-	-	270	216	243	1,169	284	2,264
-	-	9,640	3,340	1,197	96	-	42,061
-	-	2,203	647	153	-	-	25,011
-	-	-	-	-	-	-	3,115
-	-	126	122	299	11	1,117	14,889
-	-	-	-	-	-	-	10,749
-	1,654	1,074	2,487	-	18,077	348,461	397,761
-	1,654	44,185	19,387	19,317	118,015	363,388	825,622
438	(1,653)	(1,199)	-	4,213	22,599	223,691	609,908
(438)	1,653	-	-	-	-	-	1,538,813
\$ -	\$ -	\$ (1,199)	\$ -	\$ 4,213	\$ 22,599	\$ 223,691	\$ 2,148,721